Chicago Symphony Orchestra

Financial Report
June 30, 2024

Contents

Independent auditor's report	1-2
Financial statements	
Statements of financial position	3-4
Statements of activities	5-8
Statements of functional expenses	9-12
Statements of cash flows	13-14
Notes to financial statements	15-47

RSM

RSM US LLP

Independent Auditor's Report

Board of Trustees
Chicago Symphony Orchestra

Opinion
We have audited the financial statements of Chicago Symphony Orchestra (the Corporation), which comprise the statements of financial position as of June 30, 2024 and 2023, the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

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

In performing an audit in accordance with GAAS, we:

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

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

RSM US LLP

Chicago, Illinois
October 18, 2024

Chicago Symphony Orchestra

Statement of Financial Position
June 30, 2024
(In Thousands)

	Without Donor-Imposed Restrictions				With Donor-Imposed Restrictions		
	Operating	Property	Board-Designated	Total	Purpose and Time Restricted	Perpetual in Nature	Grand Total
Assets							
Current assets:							
Cash and cash equivalents	$ 9,301	$ -	$ -	$ 9,301	$ -	$ -	$ 9,301
Accounts and interest receivable—net	315	109	-	424	-	720	1,144
Short-term contributions receivable—net	1,114	3,044	-	4,158	4,097	6,063	14,318
Prepaid expenses and other current assets	1,582	5	-	1,587	-	-	1,587
Total current assets	12,312	3,158	-	15,470	4,097	6,783	26,350
Long-term contributions receivable—net	-	5,213	-	5,213	6,521	18,523	30,257
Assets held for deferred compensation	442	-	-	442	-	-	442
Beneficial interest in trusts	-	-	-	-	-	8,660	8,660
Endowment investments	-	-	171,916	171,916	54,512	180,378	406,806
Other investments	-	38,063	-	38,063	-	-	38,063
Land, buildings and property—net	-	71,245	-	71,245	-	-	71,245
Total assets	$ 12,754	$ 117,679	$ 171,916	$ 302,349	$ 65,130	$ 214,344	$ 581,823
Liabilities and Net Assets							
Current liabilities:							
Accounts payable and other accrued expenses	$ 7,731	$ 616	$ 120	$ 8,467	$ -	$ 25	$ 8,492
Interfund obligations (receivables)	44,956	(42,263)	(1,356)	1,337	(1,480)	143	-
Advance ticket sales and other deferred revenue	11,803	-	-	11,803	-	-	11,803
Bonds payable, short-term	-	2,300	-	2,300	-	-	2,300
Total current liabilities	64,490	(39,347)	(1,236)	23,907	(1,480)	168	22,595
Bonds payable, long-term, net of unamortized issuance costs		114,813	-	114,813	-	-	114,813
Pension benefits	18,500	-	-	18,500	-	-	18,500
Interest rate swap contracts	-	4,425	-	4,425	-	-	4,425
Other long-term liabilities	487	19	-	506	-	679	1,185
Total liabilities	83,477	79,910	(1,236)	162,151	(1,480)	847	161,518
Net assets (deficit)	(70,723)	37,769	173,152	140,198	66,610	213,497	420,305
Total liabilities and net assets	$ 12,754	$ 117,679	$ 171,916	$ 302,349	$ 65,130	$ 214,344	$ 581,823

See notes to financial statements.

Chicago Symphony Orchestra

Statement of Financial Position
June 30, 2023
(In Thousands)

	Without Donor-Imposed Restrictions				With Donor-Imposed Restrictions		
	Operating	Property	Board-Designated	Total	Purpose and Time Restricted	Perpetual in Nature	Grand Total
Assets							
Current assets:							
Cash and cash equivalents	$ 8,707	$ -	$ -	$ 8,707	$ -	$ -	$ 8,707
Accounts and interest receivable—net	159	76	-	235	-	453	688
Short-term contributions receivable—net	1,236	1,968	-	3,204	3,480	3,096	9,780
Prepaid expenses and other current assets	1,633	5	-	1,638	-	-	1,638
Total current assets	11,735	2,049	-	13,784	3,480	3,549	20,813
Long-term contributions receivable—net	-	5,660	-	5,660	3,002	10,966	19,628
Assets held for deferred compensation	341	-	-	341	-	-	341
Beneficial interest in trusts	-	-	-	-	-	8,156	8,156
Endowment investments	-	-	146,404	146,404	47,472	165,874	359,750
Other investments	-	33,531	-	33,531	-	-	33,531
Land, buildings and property—net	-	72,968	-	72,968	-	-	72,968
Total assets	$ 12,076	$ 114,208	$ 146,404	$ 272,688	$ 53,954	$ 188,545	$ 515,187
Liabilities and Net Assets							
Current liabilities:							
Accounts payable and other accrued expenses	$ 6,225	$ 644	$ 101	$ 6,970	$ -	$ 23	$ 6,993
Interfund obligations (receivables)	45,542	(39,124)	(4,842)	1,576	(1,733)	157	-
Advance ticket sales and other deferred revenue	11,250	-	-	11,250	-	-	11,250
Bonds payable, short-term	-	2,300	-	2,300	-	-	2,300
Total current liabilities	63,017	(36,180)	(4,741)	22,096	(1,733)	180	20,543
Bonds payable, long-term, net of unamortized issuance costs	-	117,073	-	117,073	-	-	117,073
Pension benefits	27,556	-	-	27,556	-	-	27,556
Interest rate swap contracts	-	6,137	-	6,137	-	-	6,137
Other long-term liabilities	418	75	-	493	-	634	1,127
Total liabilities	90,991	87,105	(4,741)	173,355	(1,733)	814	172,436
Net assets (deficit)	(78,915)	27,103	151,145	99,333	55,687	187,731	342,751
Total liabilities and net assets	$ 12,076	$ 114,208	$ 146,404	$ 272,688	$ 53,954	$ 188,545	$ 515,187

See notes to financial statements.

Chicago Symphony Orchestra

Statement of Activities
Year Ended June 30, 2024
(In Thousands)

	Without Donor-Imposed Restrictions				With Donor-Imposed Restrictions		
	Operating	Property	Board-Designated	Total	Purpose and Time Restricted	Perpetual in Nature	Grand Total
Operating revenue:							
Chicago Symphony Orchestra concerts	$ 26,683	$ -	$ -	$ 26,683	$ -	$ -	$ 26,683
Media and royalty	50	-	-	50	-	-	50
SCP concerts	3,839	-	-	3,839	-	-	3,839
Civic orchestra	75	-	-	75	-	-	75
Education concerts and activities	316	-	-	316	-	-	316
Symphony Center rentals and net food service	761	-	-	761	-	-	761
Symphony Center retail operations	512	-	-	512	-	-	512
Other	195	-	-	195	-	-	195
Total operating revenue	32,431	-	-	32,431	-	-	32,431
Operating expenses:							
Program services:							
Chicago Symphony Orchestra concerts	53,663	1,760	-	55,423	-	-	55,423
Media and royalty	431	35	-	466	-	-	466
SCP concerts	4,116	245	-	4,361	-	-	4,361
Civic orchestra	2,254	173	-	2,427	-	-	2,427
Education concerts and activities	2,148	139	-	2,287	-	-	2,287
Symphony Center rentals	2,145	652	-	2,797	-	-	2,797
Symphony Center retail operations	419	13	-	432	-	-	432
Other	109	-	-	109	-	-	109
Total program services	65,285	3,017	-	68,302	-	-	68,302
Marketing, promotion and sales	3,174	-	-	3,174	-	-	3,174
General and administrative	7,264	-	-	7,264	-	-	7,264
Debt service expense	15	3,913	3	3,931	-	-	3,931
Total operating expenses	75,738	6,930	3	82,671	-	-	82,671
Net operating results	(43,307)	(6,930)	(3)	(50,240)	-	-	(50,240)

(Continued)

Chicago Symphony Orchestra

Statement of Activities (Continued)
Year Ended June 30, 2024
(In Thousands)

	Without Donor-Imposed Restrictions				With Donor-Imposed Restrictions		
	Operating	**Property**	**Board-Designated**	**Total**	**Purpose and Time Restricted**	**Perpetual in Nature**	**Grand Total**
Support:							
Contributions	$ 17,009	$ 18,991	$ 1,453	$ 37,453	$ 8,595	$ 25,262	$ 71,310
In-kind contributions	916	-	-	916	23	-	939
Revenue from fundraising events	609	-	-	609	-	-	609
Less: direct fundraising event expenses	(575)	-	-	(575)	-	-	(575)
Investment return, net of investment management fees	642	2,205	29,969	32,816	20,919	504	54,239
Net assets released:							
For endowment withdrawal	18,357		(4,928)	13,429	(13,429)	-	-
For other investment withdrawal	3,600	(3,600)	-	-	-	-	-
Through satisfaction of restrictions	5,835	-	(650)	5,185	(5,185)	-	-
Total support	46,393	17,596	25,844	89,833	10,923	25,766	126,522
Less fundraising expenses	4,498	-	-	4,498	-	-	4,498
Net support	41,895	17,596	25,844	85,335	10,923	25,766	122,024
Change in net assets before changes in pension plan assets and benefit obligations	(1,412)	10,666	25,841	35,095	10,923	25,766	71,784
Changes in pension plan assets and benefit obligations	5,770	-	-	5,770	-	-	5,770
Increase in net assets	4,358	10,666	25,841	40,865	10,923	25,766	77,554
Interfund transfers	3,834	-	(3,834)	-	-	-	-
Net assets (deficit) at beginning of year	(78,915)	27,103	151,145	99,333	55,687	187,731	342,751
Net assets (deficit) at end of year	$ (70,723)	$ 37,769	$ 173,152	$ 140,198	$ 66,610	$ 213,497	$ 420,305

See notes to financial statements.

Chicago Symphony Orchestra

Statement of Activities
Year Ended June 30, 2023
(In Thousands)

	Without Donor-Imposed Restrictions				With Donor-Imposed Restrictions		
	Operating	Property	Board-Designated	Total	Purpose and Time Restricted	Perpetual in Nature	Grand Total
Operating revenue:							
Chicago Symphony Orchestra concerts	$ 24,381	$ -	$ -	$ 24,381	$ -	$ -	$ 24,381
Media and royalty	82	-	-	82	-	-	82
SCP concerts	4,428	-	-	4,428	-	-	4,428
Civic orchestra	90	-	-	90	-	-	90
Education concerts and activities	281	-	-	281	-	-	281
Symphony Center rentals and net food service	(81)	-	-	(81)	-	-	(81)
Symphony Center retail operations	395	-	-	395	-	-	395
Other	212	-	-	212	-	-	212
Total operating revenue	29,788	-	-	29,788	-	-	29,788
Operating expenses:							
Program services:							
Chicago Symphony Orchestra concerts	51,736	1,732	-	53,468	-	-	53,468
Media and royalty	620	11	-	631	-	-	631
SCP concerts	4,443	273	-	4,716	-	-	4,716
Civic orchestra	2,214	169	-	2,383	-	-	2,383
Education concerts and activities	2,021	141	-	2,162	-	-	2,162
Symphony Center rentals	2,033	664	-	2,697	-	-	2,697
Symphony Center retail operations	378	12	-	390	-	-	390
Other	133	-	-	133	-	-	133
Total program services	63,578	3,002	-	66,580	-	-	66,580
Marketing, promotion and sales	2,979	-	-	2,979	-	-	2,979
General and administrative	6,118	-	-	6,118	-	-	6,118
Debt service expense	15	576	4	595	-	-	595
Total operating expenses	72,690	3,578	4	76,272	-	-	76,272
Net operating results	(42,902)	(3,578)	(4)	(46,484)	-	-	(46,484)

(Continued)

Chicago Symphony Orchestra

Statement of Activities (Continued)
Year Ended June 30, 2023
(In Thousands)

	Without Donor-Imposed Restrictions				With Donor-Imposed Restrictions		
	Operating	Property	Board-Designated	Total	Purpose and Time Restricted	Perpetual in Nature	Grand Total
Support:							
Contributions	$ 15,119	$ 4,322	$ -	$ 19,441	$ 3,284	$ 1,238	$ 23,963
In-kind contributions	816	-	-	816	27	-	843
Revenue from fundraising events	480	-	-	480	-	-	480
Less direct fundraising event expenses	(425)	-	-	(425)	-	-	(425)
Investment return, net of investment management fees	498	2,635	18,634	21,767	11,595	362	33,724
Net assets released:							
For endowment withdrawal	17,974	-	(11,595)	6,379	(6,379)	-	-
For other investment withdrawal	5,600	(5,600)	-	-	-	-	-
Through satisfaction of restrictions	5,787	100	(607)	5,280	(5,280)	-	-
Total support	45,849	1,457	6,432	53,738	3,247	1,600	58,585
Less fundraising expenses	4,373	50	-	4,423	-	-	4,423
Net support	41,476	1,407	6,432	49,315	3,247	1,600	54,162
Change in net assets before changes in pension plan assets and benefit obligations	(1,426)	(2,171)	6,428	2,831	3,247	1,600	7,678
Changes in pension plan assets and benefit obligations	4,654	-	-	4,654	-	-	4,654
Change in net assets	3,228	(2,171)	6,428	7,485	3,247	1,600	12,332
Net assets (deficit) at beginning of year	(82,143)	29,274	144,717	91,848	52,440	186,131	330,419
Net assets (deficit) at end of year	$ (78,915)	$ 27,103	$ 151,145	$ 99,333	$ 55,687	$ 187,731	$ 342,751

See notes to financial statements.

Chicago Symphony Orchestra

Statement of Functional Expenses
Year Ended June 30, 2024
(In Thousands)

	Chicago Symphony Orchestra Concerts	Media and Royalty	SCP Concerts	Civic Orchestra	Education Concerts and Activities	Symphony Center Rentals and Commissions	Symphony Center Retail Operations	Other	Allocated Program Administration	Total Program Services
Salaries and benefits	$ 33,639	$ 309	$ 347	$ 625	$ 1,382	$ 421	$ 146	$ -	$ 7,021	$ 43,890
Guest conductors, artists and composers	4,361	2	1,744	64	65	-	-	-	-	6,236
Civic stipends	-	-	-	968	27	-	-	-	-	995
Concert production	346	71	84	28	35	56	-	-	382	1,002
Office expenses	261	7	50	15	46	6	40	-	362	787
Facilities expenses	1,913	9	292	206	194	915	15	-	(1,102)	2,442
Rental expense	25	-	8	-	5	-	-	-	14	52
Advertising, promotions, direct mail and telemarketing	2,730	(1)	621	54	101	-	5	60	193	3,763
Professional fees	351	-	-	18	29	631	-	-	104	1,133
In-kind professional fees	-	-	-	-	-	-	-	-	-	-
Travel	2,625	-	4	47	170	-	-	-	89	2,935
Receptions and meetings	15	-	-	10	2	-	-	-	1	28
Business insurance	-	-	-	-	-	-	-	-	-	-
Other	60	11	19	43	51	-	213	-	1,080	1,477
Depreciation, amortization and gain on sale of property	1,760	51	245	177	139	749	13	-	428	3,562
Debt service	-	-	-	-	-	-	-	-	-	-
Allocated program administration	7,337	7	947	172	41	19	-	49	(8,572)	-
Total	$ 55,423	$ 466	$ 4,361	$ 2,427	$ 2,287	$ 2,797	$ 432	$ 109	$ -	$ 68,302

(Continued)

Chicago Symphony Orchestra

Statement of Functional Expenses (Continued)
Year Ended June 30, 2024
(In Thousands)

	Total Program Services	Marketing Promotion and Sales	General and Administrative and Debt Service	Fundraising	Total Support Services	June 30, 2024 Total
Salaries and benefits	$ 43,890	$ 2,447	$ 3,921	$ 3,175	$ 9,543	$ 53,433
Guest conductors, artists and composers	6,236	-	-	1	1	6,237
Civic stipends	995	-	-	3	3	998
Concert production	1,002	-	155	-	155	1,157
Office expenses	787	188	189	215	592	1,379
Facilities expenses	2,442	112	151	298	561	3,003
Rental expense	52	-	-	-	-	52
Advertising, promotions, direct mail and telemarketing	3,763	149	94	446	689	4,452
Professional fees	1,133	201	965	14	1,180	2,313
In-kind professional fees	-	-	350	-	350	350
Travel	2,935	22	43	43	108	3,043
Receptions and meetings	28	4		32	36	64
Business insurance	-	-	365	-	365	365
Other	1,477	51	718	271	1,040	2,517
Depreciation, amortization and gain on sale of property	3,562	-	313	-	313	3,875
Debt service	-	-	3,931	-	3,931	3,931
Allocated program administration	-	-	-	-	-	-
Total	$ 68,302	$ 3,174	$ 11,195	$ 4,498	$ 18,867	$ 87,169

See notes to financial statements.

Chicago Symphony Orchestra

Statement of Functional Expenses
Year Ended June 30, 2023
(In Thousands)

	Chicago Symphony Orchestra Concerts	Media and Royalty	SCP Concerts	Civic Orchestra	Education Concerts and Activities	Symphony Center Rentals and Commissions	Symphony Center Retail Operations	Other	Allocated Program Administration	Total Program Services
Salaries and benefits	$ 32,369	$ 433	$ 406	$ 592	$ 1,293	$ 409	$ 135	$ -	$ 7,263	$ 42,900
Guest conductors, artists and composers	4,808	32	1,819	63	93	-	-	-	-	6,815
Civic stipends	-	-	-	987	47	-	-	-	-	1,034
Concert production	414	35	100	30	20	17	-	-	406	1,022
Office expenses	266	9	65	15	36	5	43	-	335	774
Facilities expenses	1,728	8	300	185	177	918	13	-	(1,090)	2,239
Rental expense	25	-	8	-	3	-	-	-	16	52
Advertising, promotions, direct mail and telemarketing	2,656	26	722	57	92	-	4	74	221	3,852
Professional fees	86	4	-	8	43	572	-	-	113	826
In-kind professional fees	-	-	-	-	-	-	-	-	-	-
Travel	1,786	-	2	26	128	-	-	-	83	2,025
Receptions and meetings	8	-	-	3	3	-	-	-	2	16
Business insurance	-	-	-	-	-	-	-	-	-	-
Other	58	20	25	39	52	8	181	-	1,036	1,419
Depreciation, amortization and loss on sale of property	1,732	54	273	173	141	752	14	-	467	3,606
Debt service	-	-	-	-	-	-	-	-	-	-
Allocated program administration	7,532	10	996	205	34	16	-	59	(8,852)	-
Total	$ 53,468	$ 631	$ 4,716	$ 2,383	$ 2,162	$ 2,697	$ 390	$ 133	$ -	$ 66,580

(Continued)

Chicago Symphony Orchestra

Statement of Functional Expenses (Continued)
Year Ended June 30, 2023
(In Thousands)

	Total Program Services	Marketing Promotion and Sales	General and Administrative and Debt Service	Fundraising	Total Support Services	June 30, 2023 Total
Salaries and benefits	$ 42,900	$ 2,312	$ 3,474	$ 3,005	$ 8,791	$ 51,691
Guest conductors, artists and composers	6,815	-	-	1	1	6,816
Civic stipends	1,034	-	-	1	1	1,035
Concert production	1,022	-	138	-	138	1,160
Office expenses	774	177	162	195	534	1,308
Facilities expenses	2,239	103	141	274	518	2,757
Rental expense	52	-	-	-	-	52
Advertising, promotions, direct mail and telemarketing	3,852	109	102	472	683	4,535
Professional fees	826	181	1,195	22	1,398	2,224
In-kind professional fees	-	-	159	-	159	159
Travel	2,025	30	58	67	155	2,180
Receptions and meetings	16	1	-	31	32	48
Business insurance	-	-	351	-	351	351
Other	1,419	66	78	355	499	1,918
Depreciation, amortization and loss on sale of property	3,606	-	260	-	260	3,866
Debt service	-	-	595	-	595	595
Allocated program administration	-	-	-	-	-	-
Total	$ 66,580	$ 2,979	$ 6,713	$ 4,423	$ 14,115	$ 80,695

See notes to financial statements.

Chicago Symphony Orchestra

Statements of Cash Flows
Years Ended June 30, 2024 and 2023
(In Thousands)

	2024	2023
Cash flows from operating activities:		
Increase in net assets	$ 77,554	$ 12,332
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Depreciation and amortization	3,877	3,850
Interest and dividends	(9,220)	(6,159)
Net realized gain and increase in unrealized gains on investments	(44,376)	(26,954)
Interest rate swap fair value adjustments	(1,712)	(4,983)
(Gain) loss on sale of land, buildings and equipment	(1)	18
Changes in pension plan assets and benefit obligations	(5,770)	(4,654)
Net periodic pension cost—service cost	9	703
Contributions restricted for investment in endowment	(25,262)	(1,238)
Change in assets and liabilities:		
Accounts and interest receivable	(456)	(59)
Short-term contributions receivable	(1,571)	819
Prepaid expenses and other current assets	51	(293)
Long-term contributions receivable	(3,073)	2,756
Assets held for deferred compensation	(101)	(94)
Accounts payable and other accrued expenses	1,495	(1,581)
Advance ticket sales and other deferred revenue	553	582
Employer pension contribution	(3,295)	(3,232)
Other long-term liabilities	58	(109)
Net cash used in operating activities	(11,240)	(28,296)
Cash flows from investing activities:		
Proceeds from sale of land, buildings and equipment	1	1
Purchases of land, buildings and equipment	(2,150)	(1,968)
Proceeds from sale of investments	228,157	120,345
Purchases of investments	(226,653)	(83,451)
Net cash (used in) provided by investing activities	(645)	34,927
Cash flows from financing activities:		
Redemption of bonds payable	(2,300)	(14,800)
Contributions restricted for investment in endowment	14,739	3,525
Amortization of bond issuance costs	40	39
Net cash provided by (used in) financing activities	12,479	(11,236)
Net increase (decrease) in cash	594	(4,605)
Cash and cash equivalents:		
Beginning of year	8,707	13,312
End of year	$ 9,301	$ 8,707

(Continued)

Chicago Symphony Orchestra

Statements of Cash Flows (Continued)
Years Ended June 30, 2024 and 2023
(In Thousands)

	2024	2023
Supplemental disclosures of cash flow information:		
Cash paid during the fiscal year for:		
Interest payments on bonds payable	$ 4,802	$ 3,514
Interest payments on swap arrangement	$ 75	$ 1,095

See notes to financial statements.

Note 1. Nature of Activities and Summary of Significant Accounting Policies

Nature of activities: The Chicago Symphony Orchestra (the Corporation) is a nonprofit corporation incorporated in the State of Illinois in 1890. With the Chicago Symphony Orchestra at its core, the mission of the Corporation is to enrich, inspire and transform lives through music, community engagement and education—locally, nationally and internationally. Governance of the Corporation is vested in the Board of Trustees (Board), as elected by the Governing Members and its directives are implemented by the Corporation's officers.

The Corporation's operations reflect the activities of the following programs: Chicago Symphony Orchestra (CSO), the Chicago Symphony Chorus, Symphony Center Presents (SCP), and the Negaunee Music Institute (Institute), which includes the Civic Orchestra of Chicago. Concerts and related activities are performed year-round at Symphony Center (owned and operated by the Corporation), during the summer by the CSO at Ravinia Park, as contracted by the Ravinia Festival Association, and at various times at other local, national and international venues. Ancillary operating activity includes media and recording, facility rentals, food service and retail store operations.

The Corporation is exempt from federal and state income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code and applicable state law unless it has income from unrelated business activities.

Basis of accounting and presentation: The financial statements of the Corporation have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Corporation maintains its accounts on a fund accounting basis. Under this method of accounting, resources for various purposes are grouped into funds based on the existence or absence of donor-imposed restrictions and are classified into two classes of net assets: those with and those without donor-imposed restrictions.

Cash and cash equivalents: The Corporation considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid instruments restricted to endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Foreign currency is translated using year-end exchange rates. Transactional gains and losses are included in investment return (loss), net of investment management fees, in the statements of activities.

Receivables: Accounts and interest receivable consist primarily of amounts due related to program services. Unconditional promises to give (short- and long-term contribution receivables) that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows using a discount rate based on treasury yields of similar maturity and a risk factor. Amortizations of discount results in an increase to contribution revenue. Bequest receivables are recorded when the estate clears probate and amounts are known or can be reasonably estimated. Conditional promises to give are not included as support until the conditions on which they depend are substantially met and any related barriers have been overcome.

An allowance for future uncollectible receivables is provided based on management's judgment including specific identification of uncollectible accounts, historical collection experience, an assessment of current and future economic conditions and a review of current status of receivables. These factors may change over time, impacting the allowance level. Receivables are written off when deemed uncollectible.

Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

At June 30, 2024 and 2023, the allowance for future uncollectible receivables was approximately $41,000 and $63,000, respectively.

Prepaid expenses and other current assets: Expenses paid in the current fiscal year, which relate to events or activities that will occur in a subsequent fiscal year, are recorded as prepaid expenses. These prepaid expenses are recognized as expense in the year in which the related event or activity occurs. Other current assets include store inventory, which is comprised of program-related merchandise held for sale and stated at the lower of cost or market determined by the first-in, first-out method, net of a reserve for inventory obsolescence.

Assets held for deferred compensation: For certain eligible employees, the Corporation offers an unfunded nonqualified deferred compensation plan (The Chicago Symphony Orchestra Association 457(b) Plan). The 457(b) plan assets are held in a custodial account. Per terms of this plan, in general, assets cannot be withdrawn until the employee’s severance from employment with the Corporation has occurred. Consequently, these assets are recorded as assets held for deferred compensation by the Corporation and the associated liability is included in other long-term liabilities.

Beneficial interest in trusts: The Corporation has been named as an irrevocable beneficiary of two perpetual trusts held and administered by independent trustees. Perpetual trusts provide for the distribution of the net income of the trusts to the Corporation, which is recorded in the without donor-imposed restrictions operating fund as investment return, net of investment management fees. The fair value of the Corporation’s beneficial interest in the trusts is recorded in the financial statements based upon the Corporation’s proportional interest in the fair value of the underlying trust assets. The underlying trust assets are either readily marketable and have fair values which are determined by obtaining quoted market prices in active markets or are determined by the trusts using information provided by the related investment managers.

Split-interest agreements (charitable gift annuities and pooled income funds): These assets are included in endowment investments. A liability for split-interest obligations is recorded when the agreement is established at the estimated net present value of future cash flows using a risk-adjusted discount rate commensurate with the duration of the estimated payments. This liability is included in other long-term liabilities.

Investments and fair value measurements: The Corporation records investment purchases at cost on the trade date. Thereafter, investments are reported at their fair value in the statements of financial position. Investment income, realized gains (losses) and change in unrealized gains (losses) are reflected in the statements of activities as investment return (loss), net of investment management fees. Interest income is recognized on the accrual basis and dividend income is recognized on the ex-dividend date. Sales of investments are recorded on the trade date. Donated investments are recorded at their fair value at the date of receipt and then sold immediately thereafter. The difference between their fair value and their sales proceeds are recognized as realized gains (losses).

The Corporation follows the requirements of Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, which defines fair value, establishes a framework for measuring fair value in U.S. GAAP and expands disclosures about fair value measurements.

Land, buildings and property: Long-lived assets are stated at cost and consist of land, land improvements, buildings, building improvements, equipment, music, instruments, trademarks and capitalized interest. The Corporation capitalizes additions and improvements to existing property and equipment over $5,000 and having a useful life of more than one year. General maintenance and repairs are charged to expense. Depreciation and amortization expense is recorded using the straight-line method, based on the estimated useful lives of the related assets, which range from three to 40 years.

Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Depreciation expense related to real property is recorded in the property fund and the balance of depreciation in the operating fund.

Leases: The Corporation follows the lease accounting guidance in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 842. The Corporation determines if an arrangement is a lease at inception of the contract. Under ASC 842, a lease is a contract, or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For all leases, the Corporation recognizes a lease liability equal to the present value of the remaining lease payments, and a right of use asset equal to the lease liability, subject to certain adjustments, such as for prepaid rents. When the rate implicit in the lease is not readily determinable, the Corporation has made a policy election to use a risk-free rate, based on the United States Treasury rates, to determine the present value of the lease payments for all classes of assets. Lease liabilities are included in other long term liabilities and right of use assets are included in land, buildings and properties on the statements of financial position.

Pension benefits: The pension benefit obligations consider anticipated payout patterns as well as investment returns on available assets prior to payment. The discount rate used to value this obligation is a risk-adjusted rate commensurate with the duration of anticipated payments. Various inputs are used in valuing the Corporation's pension plan investments.

The current years' service cost component of net periodic benefit cost is reported in the same statement of activities line item as other employee compensation costs arising from services rendered during the period. Other components of net period benefit cost are aggregated and presented separately and outside of net operating results and net support on the statement of activities.

Interest rate swap contracts: To reduce exposure to adjustable interest rates on variable rate debt, the Corporation entered into two interest rate swap contracts based on the London Interbank Offered Rate (LIBOR) swap rate. Effective July 1, 2023, LIBOR was replaced with the Secured Overnight Financing Rate (SOFR). These contracts have the effect of fixing the rate of interest for a portion of the Corporation's variable rate bond debt. The related unrealized gains or losses are included in debt service expense on the statement of functional expenses.

Net assets: Net assets, revenue, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor-imposed restrictions: These net assets include all resources not subject to donor-imposed restrictions. These include unrestricted resources available to support the Corporation's operations and net assets set aside by the Board for specific purposes, including accumulating investment assets for future benefit, and for the acquisition of capital assets and related activities.

Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Net assets with donor-imposed restrictions: Net assets subject to donor-imposed restrictions are presented in the following categories:

- Purpose- and time-restricted net assets represent contributions and investment earnings with donor-imposed restrictions that have not yet been met, either by actions of the Corporation (purpose) or the passage of time. Expirations of these restrictions are reported as net assets released from restrictions in the statements of activities.

- Perpetual in nature net assets are subject to donor-imposed restrictions and represent contributions invested in perpetuity, the earnings from which are available to support activities of the Corporation. These net assets include the Corporation's endowment investments, beneficial interest in irrevocable charitable trusts and receivables for contributions with restrictions permanent in nature.

Measure of operations: The operating results in the statements of activities (called change in net assets before changes in pension plan assets and benefit obligations) reflect all transactions attributable to the Corporation's ongoing programs and support which increase or decrease net assets. Transactions associated with long-term investments, depreciation associated with real property, changes in the fair value of interest rate swaps and changes in postretirement benefit obligations other than the current years' service cost are not included in the Corporation's measure of operations.

Revenue and revenue recognition: Revenue from contracts with customers is derived primarily from ticketing for performances, other performance-related fees, Symphony Center rentals and commissions and retail operations.

The Corporation recognizes revenue based on the satisfaction of performance obligations. Performance obligations are determined based on the goods or services provided by the Corporation. The following explains the performance obligations related to each major revenue stream and the pattern in which the related revenue is recognized.

The majority of single ticket and subscription revenue is received in advance of the concert. Advance ticket sales are recorded as deferred revenue and are subsequently recognized as revenue in the period the performance takes place. Other related performance fees received are recognized in the period the performance takes place. Rental and commission revenues received are recognized in the period or periods the customer or vendor is utilizing the Corporation's space. Revenues received for streaming sales are recorded in the period the performance link is delivered to the patron. Royalty revenue is recognized in the period when the Corporation's material is made available to the customer. Sales at the Symphony Store, including web sales and compact disc (CD) sales are recorded at the time of purchase when goods are transferred to the customer.

Contribution revenue: Contributions, including unconditional promises to give, are recorded in the period received as increases in net assets with or without donor-imposed restrictions, depending on the existence or nature of any donor-imposed restrictions. When a donor-imposed restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), the related net assets are reclassified to net assets without donor-imposed restrictions and reported in the statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are recorded as support without donor-imposed restrictions.

Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

In-kind contributions: For the year ended June 30, 2024, contributed nonfinancial assets included pro bono legal services, advertising and airline travel vouchers. For the year ended June 30, 2023, contributed nonfinancial assets also included architectural design. All contributed nonfinancial assets were utilized in the Corporation's operations.

Contributed services such as pro bono legal services and advertising are recognized at their estimated fair value when received if the services received: (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Other contributed services are valued based on current rates for similar services. Pro bono legal services and advertising were utilized to support various administrative and program activities.

Contributed goods are recorded at fair value at the date of donation. Contributed goods consisted of airline travel vouchers. In valuing contributed goods, the Corporation estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products. Airline travel vouchers were utilized to support various program activities.

Functional allocation of expenses: Certain costs have been allocated among the programs and supporting services benefited, as shown on the statements of functional expenses. Major expenses that are allocated include salaries (based on time and effort), benefits (eligibility), facilities costs (square footage with headcount or performance space usage) and program administration (number of performances/ticket sales/direct expenses). The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities.

Income taxes: The Corporation follows the standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Corporation may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Corporation, continued tax-exempt status of bonds payable, and various positions related to the potential sources of unrelated business taxable income. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for the reporting periods presented in the financial statements.

The Corporation files Form 990 in the U.S. federal jurisdiction and the state of Illinois.

Use of estimates: In preparing financial statements in conformity with U.S. GAAP, management makes estimates and assumptions affecting the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Credit risk: The Corporation manages deposit concentration risk by placing cash, which is primarily various checking accounts and a short-term investment account for excess cash funds, with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits. The Corporation has not experienced any loss of such accounts and management believes that the Corporation is not exposed to any significant risk on cash. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts due are from Board members, long-time donors and patrons, renters, and corporations and foundations supportive of the Corporation's mission. Investments are made by diversified investment managers whose performance is monitored by the investment committee of the Board. Although the fair value of investments is subject to fluctuation on a year-to-year basis, management and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Corporation.

Adopted accounting pronouncements: In fiscal year 2024, the Corporation adopted Accounting Standards Update (ASU) 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments,* which replaces the current incurred loss impairment methodology for financial assets reported at amortized cost, such as receivables, with a methodology that reflects expected future credit losses and requires consideration of a broader range of reasonable and supportable information to inform future credit loss estimates. The amendments in this update are effective for the Corporation's fiscal year ended June 30, 2024, however they did not have a significant impact on the financial statements.

Subsequent events: The Corporation has evaluated subsequent events for potential recognition and/or disclosure through October 18, 2024, the date the financial statements were available to be issued.

Reclassifications: Certain fiscal year 2023 balances have been reclassified to conform to the current year presentation without any effect on previously reported total net assets or total changes in net assets.

Note 2. Liquidity and Availability of Resources

The following reflects the Corporation's financial assets available for general use within one year of the June 30, 2024 and 2023, statement of financial position dates:

(In Thousands)	2024	2023
Financial assets at year-end:		
Cash and cash equivalents	$ 9,301	$ 8,707
Accounts and interest receivable	1,144	688
Short-term contributions receivable	14,318	9,780
Other investments	38,063	33,531
Subtotal	62,826	52,706
Plus the following year's estimated endowment draw	19,342	18,279
Less board-designated net assets for working capital and instrument loan guarantees	(28)	(3,867)
Financial assets available to meet cash needs for general expenditures within one year	$ 82,140	$ 67,118

Note 2. Liquidity and Availability of Resources (Continued)

The Corporation has various sources of liquidity at its disposal, including operating cash, receivables, short-term investments, and equity and fixed-income securities without donor-imposed restrictions. The Corporation manages its liquidity and availability of resources in order to operate within a prudent range of financial stability, to maintain adequate liquid assets to fund operating needs for the next 12 months, to meet liquidity covenants under its debt agreements and to provide reasonable assurance that it will be able to fulfill its obligations. To help manage unanticipated obligations and cash liquidity needs, the Corporation also maintains a $5 million committed line of credit, which it could draw upon if needed. As of June 30, 2024 and 2023, the full $5 million of this committed line of credit was available for use.

The Corporation's endowment fund, which consists of donor-restricted endowments and funds designated by the Board as a quasi-endowment, is not included in available financial assets, except for an estimated annual endowment draw. This draw is based on a 5% Board-approved spendable objective.

Note 3. Fair Value Measurements and Disclosures

The Corporation reports certain assets and liabilities at fair value in the financial statements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. U.S. GAAP establishes a three-level fair value hierarchy and specifies that a valuation technique used to measure fair value maximize the use of observable inputs and minimize the use of unobservable inputs. Assets and liabilities recorded at fair value are categorized within the fair value hierarchy based upon the level of judgment associated with the inputs used to measure fair value. Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the Corporation has the ability to access as of the measurement date.

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly. Fair value is determined through the use of models or other valuation methodologies. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3: Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

Note 3. Fair Value Measurements and Disclosures (Continued)

In some cases, the inputs used to measure fair value of an asset or liability might be categorized within different levels of the fair value hierarchy. In those cases, for disclosure purposes, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Corporation's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment. The inputs or methodology used for valuing financial instruments are not necessarily an indication of the risks associated with investing in those instruments.

The Corporation's interests in common/collective trust funds as well as interests in alternative investment funds such as hedged equities, absolute return, real assets and private equity are generally reported at the net asset value (NAV) reported by the trusts and fund managers, which is used as a practical expedient to estimate the fair value, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. In determining fair value, the Corporation utilizes the valuation reflected on the financial statements and other financial reports of the underlying investment funds. The underlying investment funds value securities and other financial instruments at fair value based upon market price, when possible, or at fair value determined by the respective funds' investment manager when no market price is determinable. Although the Corporation and the underlying investment manager use their best judgment in estimating the fair value of investments in funds, there are inherent limitations in any estimation technique. The estimated fair values of certain investments of the underlying investment funds, which may include derivatives, securities and other designated or side pocketed investments for which prices are not readily available, may not reflect amounts that could be realized upon immediate sale, nor amounts that may be ultimately realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments, and differences could be material. Funds measured at NAV are not categorized by level in the fair value hierarchy table. The Corporation reflects these investments using NAV within the fair value measurement table to permit reconciliation of the fair value hierarchy to the amounts presented on the statement of financial position.

The fair value of two swap contracts, as recorded in the financial statements, is the estimated amount that the Corporation would have to pay or receive to terminate the agreements as of June 30, 2024 and 2023, taking into account current interest rates and the current creditworthiness of the swap counterparty.

Note 3. Fair Value Measurements and Disclosures (Continued)

The following table presents the Corporation's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of June 30, 2024:

(In Thousands)		Fair Value Measurements Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Valued Using NAV
Assets:					
Cash and cash equivalents:					
Cash and money market funds	$ 48,062	$ 31,442	$ -	$ -	$ 16,620
Assets held for deferred compensation	442	442	-	-	-
Beneficial interest in trusts	8,660	-	-	8,660	-
Global equities:					
Exchange-traded funds	96,982	96,982	-	-	-
Limited partnerships	40,472	-	-	-	40,472
Mutual funds	30,621	30,621	-	-	-
Stocks	39,312	39,312	-	-	-
Trust funds	39,563	-	-	-	39,563
Fixed income:					
Exchange-traded funds	1,884	1,884	-	-	-
Mutual funds	67,188	67,188	-	-	-
Alternative investments:					
Absolute return	33,099	-	-	-	33,099
Real assets	12,320	-	-	-	12,320
Private equity	44,667	-	-	-	44,667
	$ 463,272	$ 267,871	$ -	$ 8,660	$ 186,741
Liabilities:					
Interest rate swap contracts	$ 4,425	$ -	$ 4,425	$ -	$ -

Note 3. Fair Value Measurements and Disclosures (Continued)

The following table presents the Corporation's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of June 30, 2023:

(In Thousands)		Fair Value Measurements Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Valued Using NAV
Assets:					
Cash and cash equivalents:					
Cash and money market funds	$ 33,442	$ 29,182	$ -	$ -	$ 4,260
Assets held for deferred compensation	341	341	-	-	-
Beneficial interest in trusts	8,156	-	-	8,156	-
Global equities:					
Exchange-traded funds	52,831	52,831	-	-	-
Limited partnerships	60,325	-	-	-	60,325
Mutual funds	30,598	30,598	-	-	-
Stocks	28,403	28,403	-	-	-
Trust funds	42,134	-	-	-	42,134
Fixed income:					
Exchange-traded funds	5,871	5,871	-	-	-
Mutual funds	60,856	60,856	-	-	-
Alternative investments:					
Absolute return	31,322	-	-	-	31,322
Real assets	11,198	-	-	-	11,198
Private equity	45,008	-	-	-	45,008
	$ 410,485	$ 208,082	$ -	$ 8,156	$ 194,247
Liabilities:					
Interest rate swap contracts	$ 6,137	$ -	$ 6,137	$ -	$ -

Investments consist of the following:

Global equities: Securities consist of equity instruments, exchange-traded funds, limited partnerships and mutual and trust funds traded on national securities exchanges which are stated at the last reported sales price on the day of valuation (Level 1). This category also includes investments in common trust funds and limited partnerships, which are valued using NAV and focus on:

> ***Long-only international equities:*** The underlying assets are liquid, and the fund's managers provide details of those assets. As of June 30, 2024, 89% of the investments in this category can be redeemed with no restrictions on a weekly or monthly basis with five to 30 days' notice. The remaining 11% can be redeemed annually at calendar year-end with 60 days' notice.

Note 3. Fair Value Measurements and Disclosures (Continued)

Long-only domestic equities: All assets can be redeemed quarterly with 45 to 90 days' notice.

Fixed income: Securities consist of debt instruments, including exchange-traded funds and mutual funds which are stated at the last reported sales price on the day of valuation (Level 1). Debt instruments for which no sale price was reported on that date are stated at the last reported bid price (Level 2).

Alternative investments: NAV consist of the following:

Absolute return: Absolute return includes multi-strategy absolute return investments focused on the probability-adjusted returns of individual securities and assets and risk in mispriced assets/securities across conventional and alternative financial strategies. Management of the absolute return investments initiates long and short positions targeting absolute risk-adjusted returns. As of June 30, 2024, all of the investments in this category have passed their initial lockup period. Approximately 91% of the investments can be redeemed quarterly with 65 to 90 days' notice and the remaining 9% can be redeemed annually with 90 days' notice.

Real assets: Real assets include investments in funds that focus on inflation protection. The funds contain, but are not limited to, investments in both U.S. and global equity securities, bonds and commodities. The underlying assets are liquid and fund managers provide details of those assets. All of the investments in the category can be redeemed without restrictions on a daily basis.

Private equity: Private equity includes private equity funds and limited liability partnerships that have a diversified program of U.S. and global private equity, venture capital and natural resources. These investments are not redeemable. Instead, the nature of the investments in this category is that distributions are received through the liquidation of the underlying assets in the fund. Of the private equity managers who have disclosed investment terms, the term for those investments is within a 10-year range, some with allowable extensions up to three additional years.

The Corporation has unfunded capital commitments for alternative investments totaling approximately $13,398,000 and $7,686,000 as of June 30, 2024 and 2023, respectively.

Note 4. Contributions Receivable

Unconditional promises to give as of June 30, 2024 and 2023, are summarized as follows:

(In Thousands)	2024			
		With Donor-Imposed Restrictions		
	Without Donor-Imposed Restrictions	Purpose and Time Restricted	Perpetual in Nature	Total
Up to one year	$ 4,199	$ 4,097	$ 6,063	$ 14,359
One to ten years	5,889	7,609	21,502	35,000
Gross	10,088	11,706	27,565	49,359
Less present value discount (rates up to 5.27%)	(676)	(1,088)	(2,979)	(4,743)
Allowance for uncollectible receivables	(41)	-	-	(41)
Net	$ 9,371	$ 10,618	$ 24,586	$ 44,575

(In Thousands)	2023			
		With Donor-Imposed Restrictions		
	Without Donor-Imposed Restrictions	Purpose and Time Restricted	Perpetual in Nature	Total
Up to one year	$ 3,267	$ 3,480	$ 3,096	$ 9,843
One to ten years	5,892	3,308	12,047	21,247
Gross	9,159	6,788	15,143	31,090
Less present value discount (rates up to 5.27%)	(232)	(306)	(1,081)	(1,619)
Allowance for uncollectible receivables	(63)	-	-	(63)
Net	$ 8,864	$ 6,482	$ 14,062	$ 29,408

Payments related to a $5,000,000 million challenge grant and recognition in the financial statements are conditional upon the Corporation meeting stipulated terms in the gift agreement.

Note 5. Other Investments

Other investments at June 30, 2024 and 2023, consist of:

(In Thousands)	2024	2023
Money market funds	$ 14,973	$ 12,011
Global equities	6,964	6,821
Fixed income	16,126	14,699
	$ 38,063	$ 33,531

Note 5. Other Investments (Continued)

These investments are without donor-imposed restrictions and available for working capital needs of the Corporation. Nevertheless, the overall investment objective of the Corporation is to invest these assets in a prudent manner that will achieve a long-term rate of return sufficient for future funding needs and increase investment value after inflation. The Corporation diversifies its investments among various asset classes incorporating multiple strategies and using external investment managers. Major investment decisions are authorized by the Board's investment committee, which oversees the Corporation's investment program in accordance with established guidelines.

Investment return (loss), net of investment management fees, for the years ended June 30, 2024 and 2023, is as follows:

(In Thousands)	2024	2023
Interest and dividends	$ 1,495	$ 862
Net realized losses	(869)	(2,084)
Net change in unrealized gains	1,616	3,940
Investment management fees	(37)	(83)
	$ 2,205	$ 2,635

Note 6. Land, Buildings and Property

Land, buildings and property as of June 30, 2024 and 2023, are summarized as follows:

(In Thousands)	2024	2023
Land	$ 25,475	$ 25,475
Building and improvements	126,705	126,328
Equipment	15,708	15,731
Right-of-use assets related to leased properties	206	416
Music and instruments and other assets	9,995	8,802
Trademarks	264	262
Capitalized interest, net	1,797	1,925
	180,150	178,939
Less accumulated depreciation and amortization	(108,905)	(105,971)
	$ 71,245	$ 72,968

Depreciation and amortization expense was approximately $3,877,000 and $3,850,000 for the years ended June 30, 2024 and 2023, respectively.

Note 7. Line of Credit

The Corporation has a $5,000,000 working capital line of credit, which matures on March 21, 2025. Terms include interest tied to term-based SOFR or a floating prime rate, with financial covenants substantively equivalent to those contained in the Bonds' standby letters of credit and direct placement. Commitment fees for the years ended June 30, 2024 and 2023, were approximately $15,000 for both years. There were no borrowings on the line of credit during the fiscal years ended June 30, 2024 or 2023. There was no interest expense related to draws for the years ended June 30, 2024 or 2023.

Note 8. Employee Benefits

The Corporation has a 403(b) plan for administrative staff (Chicago Symphony Orchestra Association 403(b) Plan for Administrative Employees). It includes, for certain eligible employees, a nondiscretionary 3% contribution of total eligible compensation and a 50% employer match on employee contributions of up to 2% of total eligible compensation. The 403(b) qualified plan is subject to limitations imposed by the Internal Revenue Service (IRS) as to contributions and compensation. For certain eligible employees, the Corporation also offers an unfunded nonqualified deferred compensation plan (The Chicago Symphony Orchestra Association 457(b) plan), the assets of which are recorded as assets held for deferred compensation with its associated liability included in other long-term liabilities. Total expenses incurred for both plans for the years ended June 30, 2024 and 2023, were approximately $388,000 and $364,000 respectively.

The Corporation has a Defined Contribution plan for Members of the CSO (Chicago Symphony Orchestra Defined Contribution Plan) which began on July 1, 2020. The plan is subject to limitations imposed by the IRS as to contributions and compensation. The plan provides for a nondiscretionary 7.5% contribution of eligible compensation for certain employees. It does not permit participants to make salary deferrals into the plan. Total expenses incurred for the plan for the years ended June 30, 2024 and 2023, were approximately $2,298,000 and $1,319,000 respectively.

Note 9. Defined Benefit Pension Plans

The Corporation sponsors two noncontributory, defined benefit pension plans (the Plans). Members of the CSO participate in the Chicago Symphony Orchestra Pension Plan (the CSO Plan), the terms of which are largely determined through labor negotiations. As a result of collective bargaining, participants in the CSO Plan were offered an option to freeze their defined benefits in the plan as of June 30, 2020, or June 30, 2023. Certain participants of the CSO Plan elected the earlier of the two dates and these participants entered into the Chicago Symphony Orchestra Defined Contribution Plan (DC Plan) as of July 1, 2020. The members of the CSO Plan that continued to accrue benefits after this initial transition had their defined benefit frozen on June 30, 2023, and entered the defined contribution plan on July 1, 2023. As of June 30, 2023, no further benefits will accrue under the CSO Plan. This action does not affect benefits accrued prior to a participants' freeze date, or participants' vesting in benefits accrued prior to that date. Members of the CSO who commence employment after June 30, 2020, are not eligible for the CSO Plan and participate only in the DC Plan. The cost of the investment protection annuity conversion feature (IPACF) in the CSO Plan has been established as new prior period service cost to be recognized over the remaining future service accrual period. Various estimates and assumptions related to the CSO Plan, as outlined below, reflect this freeze.

Other eligible Corporation employees, excluding certain union employees who participate in external pension plans, participate in The Orchestral Association Retirement Plan for Administrative Employees (the Admin Plan), which was frozen as of July 1, 2006.

Due to the American Rescue Plan Act of 2021 (the Act), the Corporation elected to take advantage of amortization relief and default interest rate stabilization offered by the Act beginning with the plan year ended June 30, 2021. This is reflected in the estimates and assumptions outlined below.

The Corporation's funding policy is to contribute annually at least the minimum amount required by law. The current estimated required contribution for the year ending June 30, 2025, is approximately $2,962,000 for the CSO Plan and $465,000 for the Admin Plan.

Note 9. Defined Benefit Pension Plans (Continued)

The Plans use a June 30 measurement date. Certain financial disclosures follow:

(In Thousands)	2024		2023	
	CSO Plan	Admin Plan	CSO Plan	Admin Plan
At June 30:				
Projected benefit obligations	$ (76,717)	$ (15,235)	$ (79,598)	$ (15,394)
Fair value of plan assets	58,793	14,659	54,401	13,035
Funded status	$ (17,924)	$ (576)	$ (25,197)	$ (2,359)
Accumulated benefit obligations	$ (76,717)	$ (15,235)	$ (79,598)	$ (15,383)

(In Thousands)	2024		2023	
	CSO Plan	Admin Plan	CSO Plan	Admin Plan
For the year ended June 30:				
Net periodic benefit cost— service cost	$ -	$ 9	$ 681	$ 22
Employer contributions	2,830	464	2,869	363
Plan participants' contributions	104	-	117	-
Benefits paid	4,776	678	4,460	627
Amounts recognized in the statements of financial position as noncurrent liabilities	(17,924)	(576)	(25,197)	(2,359)
Other changes in plan assets and benefit obligations recognized in changes in net assets without donor-imposed restrictions:				
New net gain	$ (4,915)	$ (1,376)	$ (3,246)	$ (1,466)
Interest cost	4,212	822	3,631	718
Expected return on plan assets	(3,739)	(774)	(3,580)	(711)
Net gain recognized in net assets without donor-imposed restrictions	$ (4,442)	$ (1,328)	$ (3,195)	$ (1,459)

Note 9. Defined Benefit Pension Plans (Continued)

The following assumptions were used in accounting for the Plans:

	2024		2023	
	CSO Plan	Admin Plan	CSO Plan	Admin Plan
Weighted-average assumptions used to determine net benefit obligations as of June 30:				
Discount rate (for service cost)	5.64%	5.64%	5.44%	5.47%
Rate of compensation increase	N/A	N/A	N/A	3.00%
Weighted-average assumptions used to determine net benefit cost for years ended June 30:				
Discount rate (for service cost)	N/A	5.51%	4.83%	4.82%
Discount rate (for interest cost)	5.47%	5.48%	4.53%	4.55%
Rate of compensation increase	N/A	3.00%	N/A	3.00%
Expected long-term return on plan assets	7.00%	6.00%	7.00%	6.00%

The expected rate of return on plan assets is determined by the plan assets' historical long-term investment performance, current asset allocation and estimates of future long-term returns by asset class.

The Corporation uses an alternative spot rate approach in determining the service cost and interest cost components of pension expense, which changes the timing of when the underlying obligation is recognized in the financial statements but does not change the amount of that obligation. It provides a more detailed measurement of service and interest costs by improving the relationship between projected benefit cash flows to the corresponding yield curve rates.

Note 9. Defined Benefit Pension Plans (Continued)

The following table presents the CSO Plan's fair value hierarchy for investments measured at fair value on a recurring basis as of June 30, 2024:

(In Thousands)	CSO Plan				
		Fair Value Measurements Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Valued Using NAV
Assets:					
Investments:					
Money market funds	$ 2,089	$ -	$ -	$ -	$ 2,089
Global equities:					
Common institutional funds	26,112	-	-	-	26,112
Limited partnerships	4,243	-	-	-	4,243
Mutual funds	3,398	3,398	-	-	-
Fixed income:					
Corporate bonds	4,103	-	4,103	-	-
Government agencies	418	418	-	-	-
Government bonds	2,748	2,748	-	-	-
Mortgage-backed securities	2,595	-	2,595	-	-
Alternative investments:					
Global infrastructure	4,229	-	-	-	4,229
Private equity	5,981	-	-	-	5,981
Real estate	2,743	-	-	-	2,743
	$ 58,659	$ 6,564	$ 6,698	$ -	$ 45,397

Alternative investments liquidity: The investments in the global infrastructure category are in a soft lockup until December 2025 after which they can be redeemed on a semiannual basis with 90 days' notice.

Within the private equity category, 31% of the investments can be redeemed quarterly with 12 months' notice. Of the remaining 69%, the nature of the investments is that distributions are received through the liquidation of the underlying assets in the fund. The term for these investments is up to 11 years, with allowable extensions.

All of the investments in the real estate category can be redeemed with no restrictions on a quarterly basis with 90 days' notice.

Note 9. Defined Benefit Pension Plans (Continued)

The following table presents the CSO Plan's fair value hierarchy for investments measured at fair value on a recurring basis as of June 30, 2023:

(In Thousands)	CSO Plan				
		Fair Value Measurements Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Valued Using NAV
Assets:					
Investments:					
Money market funds	$ 654	$ -	$ -	$ -	$ 654
Global equities:					
Common institutional funds	25,105	-	-	-	25,105
Limited partnerships	3,730	-	-	-	3,730
Mutual funds	3,251	3,251	-	-	-
Fixed income:					
Corporate bonds	3,046	-	3,046	-	-
Government agencies	557	557	-	-	-
Government bonds	2,354	2,354	-	-	-
Mortgage-backed securities	2,511	-	2,511	-	-
Alternative investments:					
Global infrastructure	3,827	-	-	-	3,827
Private equity	6,230	-	-	-	6,230
Real estate	3,057	-	-	-	3,057
	$ 54,322	$ 6,162	$ 5,557	$ -	$ 42,603

Note 9. Defined Benefit Pension Plans (Continued)

The following table presents the Admin Plan's fair value hierarchy for investments measured at fair value on a recurring basis as of June 30, 2024:

(In Thousands)	Total	Admin Plan — Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Significant Unobservable Inputs (Level 3)	Valued Using NAV
Assets:					
Investments:					
Money market funds	$ 363	$ -	$ -	$ -	$ 363
Global equities:					
Mutual funds	3,148	3,148	-	-	-
Exchange-traded funds	1,308	1,308	-	-	-
Fixed income:					
Mutual funds	9,793	9,793	-	-	-
	$ 14,612	$ 14,249	$ -	$ -	$ 363

The following table presents the Admin Plan's fair value hierarchy for investments measured at fair value on a recurring basis as of June 30, 2023:

(In Thousands)	Total	Admin Plan — Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Significant Unobservable Inputs (Level 3)	Valued Using NAV
Assets:					
Investments:					
Money market funds	$ 210	$ -	$ -	$ -	$ 210
Global equities:					
Mutual funds	6,415	6,415	-	-	-
Stocks	1,870	1,870	-	-	-
Fixed income:					
Mutual funds	3,391	3,391	-	-	-
Alternative investments:					
Real assets	1,140	-	-	-	1,140
	$ 13,026	$ 11,676	$ -	$ -	$ 1,350

As of June 30, 2023, the investments in the real assets category can be redeemed with no restrictions on a daily basis. There were no investments in the real assets category as of June 30, 2024.

Note 9. Defined Benefit Pension Plans (Continued)

The Corporation's investment policies and target allocations are reviewed periodically and are designed to balance risk and achieve a long-term rate of return on assets consistent with actuarial assumptions.

Long-term target allocation ranges at June 30, 2024, are as follows:

	CSO Plan	Admin Plan
Global equities	40%-80%	30%
Fixed income	15%-25%	70%
Alternative investments:		
Global infrastructure	2%-10%	
Private equity	3%-10%	
Real estate	0%-10%	

The benefits expected to be paid for the next 10 years are as follows for the years ending June 30:

(In Thousands)	CSO Plan	Admin Plan
Years ending June 30:		
2025	$ 5,313	$ 770
2026	5,516	984
2027	5,529	1,081
2028	5,495	1,140
2029	5,410	1,167
2030-2034	26,514	5,947
	$ 53,777	$ 11,089

Note 10. Multiemployer Retirement Plans

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

1. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.

2. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

3. If the Corporation chooses to stop participating in some of its multiemployer plans, the Corporation may be required to pay those plans an amount based upon the underfunded status of the plan, referred to as a withdrawal liability.

The Corporation's participation in these plans for the annual period ended June 30, 2024, is outlined in the table below. The EIN/Pension Plan Number column provides the Employer Identification Number (EIN) and three-digit plan number, if applicable. Unless otherwise noted, the most recent Pension Protection Act (PPA) zone status available in 2024 and 2023 is for the plan's year-end at March 31, 2024 and 2023, respectively. The zone status is based upon information that the Corporation received from the

Note 10. Multiemployer Retirement Plans (Continued)

plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded and plans in the green zone are at least 80% funded. The FIP/RP Status Pending/Implemented column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented. The last column lists the expiration dates of the collective-bargaining agreements to which the plans are subject. Finally, there have been no significant changes that affect the comparability of 2024 and 2023 contributions.

The Corporation was not listed as contributing more than 5% for any plan.

Note 10. Multiemployer Retirement Plans (Continued)

Pension Fund	EIN/Pension Plan Number	Pension Protection Act Zone Status 2024	Pension Protection Act Zone Status 2023	FIP/RP Status Pending/ Implemented	Contributions of the Corporation June 30, 2024	Contributions of the Corporation June 30, 2023	Surcharge Imposed	Expiration Date of Collective Bargaining Agreements
American Federation of Musicians and Employers' Pension Plan	51-6120204/001	Red (a)	Red (a)	Yes (b)	$ 507,000	$ 460,000	No	9/13/2026
Stagehands Local Two Pension Plan	36-6099766/001	Green (c)	Green (c)	No	170,000	165,000	No	10/8/2024
Electrical Contractors Association & Local Union No. 134 I.B.E.W. Joint Pension Trust of Chicago Pension Plan No.2	51-6030753/002	Green (d)	Green (d)	No	56,000	55,000	No	6/2/2025
National Electrical Benefit Fund	53-0181657/001	Green (e)	Green (e)	No	9,000	9,000	No	6/2/2025
Central Pension Fund of the International Union of Operating Engineers and Participating Employers	36-6052390/001	Green (f)	Green (f)	No	52,000	50,000	No	5/17/2026
IATSE National Pension Fund Plan C	13-1849172/001	Green (g)	Green (g)	No	10,000	9,000	No	8/31/2024
					$ 804,000	$ 748,000		

(a) Information was received for the plan year ended December 31, 2023. On August 14, 2024, the fund received approximately $1.5 billion in Special Financial Assistance provided under the American Rescue Plan Act (ARPA). The Special Financial Assistance significantly increases the financial security of the fund. The amount of assistance was calculated to allow payment of benefits and administrative expenses through the plan year ending in 2051. As a result, the fund will no longer be in "critical and declining" status. However, under the rules for the special financial assistance, the plan is still considered to be in "critical" status through the plan year ending in 2051.

(b) Pursuant to the Preservation of Access to Care for Medicare Beneficiaries and the Pension Relief Act of 2010, the Plan elected to: (i) extend, from 15 to 29 years, the amortization period for 2008 net investment losses (i.e., net investment losses for the Plan Year ended March 31, 2009), (ii) smooth those net investment losses over 10 years in the actuarial value of assets and (iii) allow the actuarial value of assets used by the Plan to be as much as 130% of the market value of assets for the plan years beginning April 1, 2009 and 2010. A rehabilitation plan was adopted on April 15, 2010. The rehabilitation plan was subsequently updated on June 27, 2016, and August 1, 2018.

(c) Information was received for the plan year ended December 31, 2023. During the 2023 plan year, the Plan reported a Green funding status.

(d) Information was received for the plan year ended June 30, 2023. During the plan year ended June 30, 2023, the Plan reported a Green status. Information for the plan year ended June 30, 2024 was not available at the time these financial statements were issued.

(e) Information was received for the plan year ended December 31, 2023. During the 2023 plan year, the Plan reported a Green funding status.

(f) Information was received for the plan year ended January 31, 2024. During the plan year ended January 31, 2024, the Plan reported a Green funding status.

(g) Information was received for the plan year ended December 31, 2023. During the 2023 plan year, the Plan reported a Green funding status.

Note 11. Bonds Payable

Bonds payable at June 30, 2024 and 2023, consist of the following:

(In Thousands)	2024	2023
Illinois Finance Authority Adjustable Rate Demand Revenue Bonds, Series 2008, due May 1, 2048	$ 83,015	$ 83,015
Illinois Finance Authority Revenue Refunding Bond, Series 2018, due December 1, 2028	34,600	36,900
Total bonds payable	117,615	119,915
Less unamortized bond issuance costs	(502)	(542)
Bonds payable, net of unamortized bond issuance costs	117,113	119,373
Less portion of 2018 bond to be redeemed	(2,300)	(2,300)
Long-term bonds payable, net of unamortized bond issuance costs	$ 114,813	$ 117,073

The Series 2008 Bonds function in a floating rate mode, with interest being reset on a weekly basis. At June 30, 2024 and 2023, the interest rate for the Series 2008 Bonds was 3.85% and 3.96%, respectively. The Series 2008 Bonds are supported by a stand-by letter of credit, which expires on April 3, 2026. To maintain this support, the Corporation agrees to certain covenants involving debt ratios and operating results.

The Series 2018 Bond functions under a direct placement. Terms include a monthly floating rate (5.3% and 5.1% at June 30, 2024 and 2023, respectively) plus a scheduled principal repayment of $2,300,000 per year, starting on July 1, 2019, and ending on July 1, 2028. To maintain this support, the Corporation agrees to certain covenants involving debt ratios and operating results.

The Corporation optionally redeemed in full $12,500,000 of the Series 1999 Bonds, during the fiscal year ended June 30, 2023, on February 14, 2023, using proceeds from other investments. The stand-by letter of credit supporting the Series 1999 Bonds was also cancelled as of that date.

Bond interest expense for the years ended June 30, 2024 and 2023, for all Bond Series was $4,778,000 and $3,784,000, respectively. Fees associated with the credit facilities, broker/dealers and remarketers of the Bond Series were $731,000 and $726,000 for the years ended June 30, 2024 and 2023, respectively.

The Series 2008 Bonds’ issuance costs of $675,000 are amortized over 39.922 years. The Series 2018 Bond’s issuance costs of $237,000 are amortized over 10.6 years. Accumulated amortization is $409,000 and $369,000 for the years ended June 30, 2024 and 2023, respectively.

Debt service expense included in the statements of activities for the years ended June 30, 2024 and 2023 are as follows:

(In Thousands)	2024	2023
Interest expense and other debt service costs	$ 5,643	$ 5,578
Interest rate swap fair value adjustments	(1,712)	(4,983)
	$ 3,931	$ 595

Note 12. Interest Rate Swap Contracts

The Corporation has two interest rate swap contracts with Goldman Sachs Mitsui Marine Derivative Products, L.P. (Goldman Sachs) for notional amounts of $50,000,000 and $40,000,000, respectively, to reduce the impact of changes in interest rates on its bonds payable. The Corporation has agreed to pay Goldman Sachs a fixed rate of interest equal to 3.561% and 3.782%, respectively, with the counterparty paying a floating rate based on 67% of one-month Bloomberg Fallback SOFR, which replaced LIBOR as the reference rate effective July 1, 2023. The contracts do not require any collateral from the Corporation, and there are no offsets to the derivative liability. Swap net interest expense for the years ended June 30, 2024 and 2023, was approximately $21,000 and $905,000, respectively. The $50,000,000 notional amount declines, starting in 2028, and terminates in 2033, and the $40,000,000 notional amount terminates in 2028. Both contracts are subject to early termination at the Corporation's option.

The interest rate swap liability impact on the statements of financial position as of June 30, 2024 and 2023, is:

(In Thousands)	Fair Value 2024	Fair Value 2023
Liability derivatives:		
$50 million interest rate swap contract	$ (2,792)	$ (3,902)
$40 million interest rate swap contract	(1,633)	(2,235)
	$ (4,425)	$ (6,137)

The impact of the interest rate swap contracts fair value adjustments on the statements of activities for the years ended June 30, 2024 and 2023, are:

(In Thousands)	Fair Value 2024	Fair Value 2023
$50 million interest rate swap contract	$ 1,110	$ 2,839
$40 million interest rate swap contract	602	2,144
	$ 1,712	$ 4,983

Note 13. Endowment

Endowment investments at June 30, 2024 and 2023, consist of:

(In Thousands)	2024	2023
Money market fund	$ 23,787	$ 12,724
Global equities	239,987	207,470
Fixed income	52,946	52,028
Alternative investments:		
Absolute return	33,099	31,322
Real assets	12,320	11,198
Private equity	44,667	45,008
	$ 406,806	$ 359,750

Note 13. Endowment (Continued)

The Corporation's endowment consists of individual funds established or supported by donors for specific activities and/or general operations, and funds designated by the Board to function as a quasi-endowment. Net assets associated with those funds are classified and reported as with or without donor-imposed restrictions based on the existence or absence of such restrictions.

Endowment net asset composition as of June 30, 2024 and 2023:

(In Thousands)	2024			
		With Donor-Imposed Restrictions		
	Without Donor-Imposed Restrictions	Purpose and Time Restrictions	Perpetual in Nature	Total
Board-designated	$ 171,794	$ -	$ -	$ 171,794
Donor-restricted	-	54,512	204,836	259,348
Total funds	$ 171,794	$ 54,512	$ 204,836	$ 431,142

(In Thousands)	2023			
		With Donor-Imposed Restrictions		
	Without Donor-Imposed Restrictions	Purpose and Time Restrictions	Perpetual in Nature	Total
Board-designated	$ 146,303	$ -	$ -	$ 146,303
Donor-restricted	-	47,472	179,574	227,046
Total funds	$ 146,303	$ 47,472	$ 179,574	$ 373,349

The Board interprets the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the historical 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, the Corporation retains in perpetuity: (a) the original value of initial and subsequent gifts (including promises to give net of discount and allowance for uncollectible accounts) donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Earnings from donor-restricted endowment funds are subject to appropriation for expenditure by the Corporation in a manner consistent with the standard of prudence prescribed by UPMIFA, considering the following factors:

- The duration and preservation of the fund.
- The purposes of the Corporation and the donor-restricted endowment fund.
- General economic conditions.
- The possible effect of inflation and deflation.
- Expected total return from income and the appreciation of investments.
- Other resources of the Corporation.
- The investment policies of the Corporation.

Note 13. Endowment (Continued)

The investment committee, which oversees all the Corporation's investments, operates under investment and spending policies for endowment assets. Under these policies, the endowment assets are invested in a manner that, over time, will meet the long-term objective of a 5% real return on assets. To accomplish this objective, a significant proportion of the investments is invested in equities. The asset allocation emphasizes diversification to lower year-to-year volatility and endeavors to achieve the highest expected total return relative to portfolio risk. The annual spendable objective, which is calculated as 5% of the average fair value of assets over the 12-quarter period ending on the prior December 31, is to be met through the use of interest, dividends, and, to the extent appropriate, accumulated capital gains. The Board approves any adjustments to the spendable objective.

Spendable objective for the years ended June 30, 2024 and 2023:

(In Thousands)	2024	2023
Base spendable objective	$ 18,357	$ 17,974
Total draw as a percentage of beginning fair value investments	5.1%	5.2%

From time to time, certain donor-restricted endowment investments may have fair values below the level required to be maintained by donors or by law (underwater investments). While UPMIFA permits spending from underwater investments in accordance with prudent measures required under law, the Corporation's policy is not to do so. At June 30, 2024, no funds had fair values below the level required to be maintained by donors or by law. At June 30, 2023, funds with original gift values of $931,000, fair values of $906,000, and deficiencies of $25,000 were reported in net assets with donor restrictions.

Changes in endowment net assets for the year ended June 30, 2024:

(In Thousands)		With Donor-Imposed Restrictions		
	Without Donor-Imposed Restrictions	Purpose and Time Restrictions	Perpetual in Nature	Total
Endowment net assets, beginning of year	$ 146,303	$ 47,472	$ 179,574	$ 373,349
Investment return:				
Investment income	4,587	3,138	-	7,725
Net realized gains	7,652	5,435	-	13,087
Net unrealized gains	18,341	12,765	-	31,106
Investment management fees	(611)	(419)	-	(1,030)
Total investment return	29,969	20,919	-	50,888
Contributions	450	(450)	25,262	25,262
Appropriation of endowment assets for expenditure	(4,928)	(13,429)	-	(18,357)
Other	-	-	-	-
Endowment net assets, end of year	$ 171,794	$ 54,512	$ 204,836	$ 431,142

Note 13. Endowment (Continued)

Changes in endowment net assets for the year ended June 30, 2023:

(In Thousands)	Without Donor-Imposed Restrictions	With Donor-Imposed Restrictions: Purpose and Time Restrictions	With Donor-Imposed Restrictions: Perpetual in Nature	Total
Endowment net assets, beginning of year	$ 139,378	$ 42,255	$ 178,336	$ 359,969
Investment return:				
Investment income	3,137	2,160	-	5,297
Net realized gains	13,360	9,112	-	22,472
Net unrealized losses	2,512	653	-	3,165
Investment management fees	(488)	(330)	-	(818)
Total investment return	18,521	11,595	-	30,116
Contributions	-	-	1,238	1,238
Appropriation of endowment assets for expenditure	(11,595)	(6,379)	-	(17,974)
Other	(1)	1	-	-
Endowment net assets, end of year	$ 146,303	$ 47,472	$ 179,574	$ 373,349

Note 14. Net Assets With Donor-Imposed Restrictions

Net assets with donor-imposed restrictions were restricted for the following purposes or time periods as of June 30, 2024 and 2023:

(In Thousands)	June 30, 2023	Net Contributions, Transfers and Earnings	Release From Restrictions	June 30, 2024
Archives	$ 512	$ 120	$ (44)	$ 588
Brass solo concerts	1,605	258	(87)	1,776
Carnegie Hall concerts	170	306	(476)	-
Chicago Symphony Chorus	-	727	(727)	-
Civic orchestra stipends and operations	21,662	4,481	(1,594)	24,549
Classical music innovations	87	72	(25)	134
Community engagement programs	-	1,796	(522)	1,274
Education concerts	886	287	-	1,173
Grainger ballroom	1,791	402	(150)	2,043
Institute programs	12,221	5,743	(739)	17,225
Main Series concerts	3,605	4,649	(6,666)	1,588
Media Initiatives	106	(24)	(82)	-
Music commissioning funds	3,043	420	(843)	2,620
Orchestra and artistic administration chairs	2,373	3,181	(2,356)	3,198
Music director	-	1,055	(973)	82
Principal and guest conductors	2,632	1,085	(420)	3,297
Program notes	-	6	(6)	-
SCP concerts	189	223	(233)	179
Tour support	500	706	(500)	706
Other purpose or time restrictions	4,305	4,044	(2,171)	6,178
Total purpose and time restricted	$ 55,687	$ 29,537	$ (18,614)	$ 66,610

Note 14. Net Assets With Donor-Imposed Restrictions (Continued)

(In Thousands)	July 1, 2022	Net Contributions, Transfers and Earnings	Release From Restrictions	June 30, 2023
Archives	$ 486	$ 69	$ (43)	$ 512
Brass solo concerts	1,540	155	(90)	1,605
Carnegie Hall concerts	101	186	(117)	170
Chicago Symphony Chorus	-	141	(141)	-
Civic orchestra stipends and operations	20,315	2,692	(1,345)	21,662
Classical music innovations	59	33	(5)	87
Community engagement programs	-	152	(152)	-
Education concerts	720	166	-	886
Grainger ballroom	1,620	238	(67)	1,791
Institute programs	10,816	2,204	(799)	12,221
Main Series concerts	3,284	3,367	(3,046)	3,605
Media Initiatives	306	(83)	(117)	106
Music commissioning funds	2,809	364	(130)	3,043
Orchestra and artistic administration chairs	2,191	1,620	(1,438)	2,373
Music director	-	663	(663)	-
Principal and guest conductors	2,438	666	(472)	2,632
Program notes	-	4	(4)	-
SCP concerts	191	581	(583)	189
Tour support	575	500	(575)	500
Other purpose or time restrictions	4,989	1,188	(1,872)	4,305
Total purpose and time restricted	$ 52,440	$ 14,906	$ (11,659)	$ 55,687

Amounts included above totaling approximately $54,512,000 and $47,472,000 at June 30, 2024 and 2023, respectively, are subject to the Corporation's spending policy and appropriations.

Note 14. Net Assets With Donor-Imposed Restrictions (Continued)

Net assets with donor-imposed restrictions that are perpetual in nature were attributable to the following purposes as of June 30, 2024 and 2023:

(In Thousands)	June 30, 2023	Net Contributions, Transfers and Earnings	Release From Restrictions	June 30, 2024
Archives	$ 350	$ -	$ 100	$ 450
Brass solo concerts	332	-	30	362
Carnegie Hall concerts	2,148	-	-	2,148
Chicago Symphony Chorus	5,013	999	-	6,012
Civic orchestra stipends and operations	12,163	24	200	12,387
Classical music innovations	425	-	75	500
Community engagement programs	2,000	2,556	500	5,056
Education concerts	1,288	-	-	1,288
Grainger ballroom	1,260	-	-	1,260
Institute programs	18,247	500	1,500	20,247
Main Series concerts	26,357	2,077	25	28,459
Media initiatives	500	250	-	750
Music commissioning funds	1,591	-		1,591
Orchestra and artistic administration chairs	20,862	10	1,743	22,615
Music director	8,000	-	-	8,000
Principal and guest conductors	5,600	-	-	5,600
Program notes	50	-	-	50
SCP concerts	323	-	-	323
Multi purpose funds	-	-	1,000	1,000
General operating support	67,161	3,298	354	70,813
Endowment receivables (discounted)	14,061	16,052	(5,527)	24,586
Total net assets with restrictions perpetual in nature	$ 187,731	$ 25,766	$ -	$ 213,497
Total net assets with donor-imposed restrictions	$ 243,418	$ 55,303	$ (18,614)	$ 280,107

Note 14. Net Assets With Donor-Imposed Restrictions (Continued)

(In Thousands)	July 1, 2022	Net Contributions, Transfers and Earnings	Release From Restrictions	June 30, 2023
Archives	$ 350	$ -	$ -	$ 350
Brass solo concerts	332	-	-	332
Carnegie Hall concerts	2,148	-	-	2,148
Chicago Symphony Chorus	5,013	-	-	5,013
Civic orchestra stipends and operations	11,935	28	200	12,163
Classical music innovations	350	-	75	425
Community engagement programs	2,000	-	-	2,000
Education concerts	1,288	-	-	1,288
Grainger ballroom	1,260	-	-	1,260
Institute programs	16,497	-	1,750	18,247
Main Series concerts	26,226	131	-	26,357
Media initiatives	250	250	-	500
Music commissioning funds	1,591	-		1,591
Orchestra and artistic administration chairs	20,112	-	750	20,862
Music director	8,000	-	-	8,000
Principal and guest conductors	5,600	-	-	5,600
Program notes	50	-	-	50
SCP concerts	323	-	-	323
General operating support	66,457	378	325	67,160
Endowment receivables (discounted)	16,349	813	(3,100)	14,062
Total net assets with restrictions perpetual in nature	$ 186,131	$ 1,600	$ -	$ 187,731
Total net assets with donor-imposed restrictions	$ 238,571	$ 16,506	$ (11,659)	$ 243,418

Note 15. Net Assets Without Donor-Imposed Restrictions

Net assets (deficits) without donor-imposed restrictions consisted of the following funds at June 30:

(In Thousands)	2024	2023
Unrestricted operating	$ (70,723)	$ (78,915)
Property	37,769	27,103
Board-designated:		
Artistic excellence	1,330	975
Endowment	171,794	146,303
Instrument loan guarantee	28	32
Working capital	-	3,835
	$ 140,198	$ 99,333

Note 16. Operating Leases and Contingent Liabilities

The Corporation has an operating lease for warehouse storage space through October 31, 2025. As of June 30, 2024, maturities of the Corporation's lease liabilities are as follows:

(In Thousands)	
Years ending June 30:	
2025	$ 57
2026	19
Total lease payments	76
Less present value discount	(2)
Lease liability	$ 74

Other lease-related information as of and for the fiscal years ended June 30, 2024 and 2023, were as follows:

(In Thousands)	2024	2023
Cash paid for amounts included in the measurement of operating lease liabilities:		
Operating cash flows from operating leases	$ 56	$ 53
Weighted-average remaining lease term on operating leases	16 months	28 months
Weighted-average discount rate for operating leases	4.48%	4.48%

The Corporation is guarantor for musical instrument loans, made by a bank to certain members of the CSO, totaling approximately $292,000 and $400,000 as of June 30, 2024 and 2023, respectively, and these loans are not reflected in the Corporation's financial statements.

More than 50% of the Corporation's full-time employees are covered by collective bargaining agreements. The current contract with the Chicago Federation of Musicians expires on September 13, 2026.

Note 16. Operating Leases and Contingent Liabilities (Continued)

The Corporation is occasionally party to claims arising out of the conduct of its business, but believes that any such liabilities will not have a material effect on the Corporation’s financial statements. The Corporation is involved in a pending legal proceeding regarding a contract dispute. Management and legal counsel believe that the ultimate disposition of the proceeding is not expected to have a material adverse effect on the Corporation's financial position, results of activities or cash flows.

Note 17. Related-Party Transactions

Certain business relationships are maintained by the Corporation that might reasonably be expected to give rise to a possible conflict between the business, financial or economic interests of the Corporation and those of Trustees, members of Trustee committees, members of the executive committees of the volunteer groups associated with the Corporation, senior management of the Corporation or nonprofit organizations on whose boards such individuals may serve. The Corporation has a policy that such individuals will not vote on, or use their personal influence in connection with, the resolution of any issue or matter in which those persons or their immediate family members have business, financial or economic interests. Management believes that the Corporation adhered to this policy for the years ended June 30, 2024 and 2023, and the Audit Committee of the Board reviews these business relationships annually.