



**Consolidated Financial Statements  
and Supplemental Schedules**

**Proprietors of the Boston Athenæum**

**September 30, 2017 and 2016**



# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Consolidated Financial Statements and Supplemental Schedules*

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## *Independent Auditors' Report*

The Board of Trustees  
Proprietors of the Boston Athenæum  
Boston, Massachusetts

We have audited the accompanying consolidated financial statements of the Proprietors of the Boston Athenæum (the "Athenæum"), which comprise the consolidated statements of financial position as of September 30, 2017 and 2016, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

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

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

### ***Auditors' Responsibility***

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

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

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



### ***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Proprietors of the Boston Athenæum as of September 30, 2017 and 2016, and the changes in its consolidated net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

### ***Supplemental Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Schedules 1, 3, 4 and 5 present information as of September 30, 2017. Schedule 2 presents information for the years ended September 30, 2017 and 2016. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Maya Heyman McCann P.C.*

February 8, 2018  
Boston, Massachusetts

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Consolidated Statements of Financial Position*

September 30,  
2017                      2016

### Assets

|  |    |                             |    |                             |
|--|----|-----------------------------|----|-----------------------------|
| Cash and cash equivalents              | \$ | 605,861                     | \$ | 626,469                     |
| Pledges receivable, net                |    | 131,080                     |    | 1,148,522                   |
| Other assets                           |    | 130,249                     |    | 695,821                     |
| Investments                            |    | 90,215,641                  |    | 84,842,422                  |
| Property, plant and equipment, net     |    | 20,985,552                  |    | 21,647,362                  |
| Beneficial interest in perpetual trust |    | 653,187                     |    | 607,172                     |
|  |    | <u>                    </u> |    | <u>                    </u> |
| <b>Total assets</b>                    |    | <b>\$ 112,721,570</b>       |    | <b>\$ 109,567,768</b>       |

### Liabilities and Net Assets

#### Liabilities:

|                               |    |                             |    |                             |
|-------------------------------|----|-----------------------------|----|-----------------------------|
| Accounts payable              | \$ | 147,988                     | \$ | 134,159                     |
| Accrued and other liabilities |    | 486,225                     |    | 524,926                     |
| Deferred revenue              |    | 627,758                     |    | 654,355                     |
|                               |    | <u>                    </u> |    | <u>                    </u> |

#### Total liabilities

**1,261,971                      1,313,440**

#### Net assets:

|                        |  |                             |  |                             |
|------------------------|--|-----------------------------|--|-----------------------------|
| Unrestricted           |  | 69,916,698                  |  | 67,774,132                  |
| Temporarily restricted |  | 11,590,661                  |  | 9,701,800                   |
| Permanently restricted |  | 29,952,240                  |  | 30,778,396                  |
|                        |  | <u>                    </u> |  | <u>                    </u> |

#### Total net assets

**111,459,599                      108,254,328**

#### Total liabilities and net assets

**\$ 112,721,570                      \$ 109,567,768**

**PROPRIETORS OF THE BOSTON ATHENÆUM**

**Consolidated Statement of Activities**

*Year Ended September 30, 2017  
(with comparative totals for 2016)*

|  | 2017                 |                           |                           | 2016                  |                       |
|--|----------------------|---------------------------|---------------------------|-----------------------|-----------------------|
|  | Unrestricted         | Temporarily<br>Restricted | Permanently<br>Restricted | Total                 | Total                 |
| Operating revenues, gains and other support:   |                      |                           |                           |                       |                       |
| Contributions, gifts and grants  | \$ 1,198,879         | \$ 144,848                | \$ -                      | \$ 1,343,727          | \$ 1,127,120          |
| Investment return designated for current operations  | 4,279,886            | -                         | -                         | 4,279,886             | 4,165,808             |
| Membership dues revenue  | 1,243,028            | -                         | -                         | 1,243,028             | 1,270,078             |
| Events and other program revenue   | 99,399               | -                         | -                         | 99,399                | 116,072               |
| Rental and other non-program revenue   | 98,841               | -                         | -                         | 98,841                | 45,670                |
| Appropriations from board-designated funds   | 52,000               | -                         | -                         | 52,000                | 142,275               |
| Net assets released from restrictions  | 145,062              | (145,062)                 | -                         | -                     | -                     |
| <b>Total</b>   | <b>7,117,095</b>     | <b>(214)</b>              | <b>-</b>                  | <b>7,116,881</b>      | <b>6,867,023</b>      |
| Operating expenses, excluding depreciation and amortization:                                     |                      |                           |                           |                       |                       |
| Program services   | 4,968,107            | -                         | -                         | 4,968,107             | 4,797,156             |
| Supporting services:   |                      |                           |                           |                       |                       |
| General and administrative   | 1,093,589            | -                         | -                         | 1,093,589             | 1,117,268             |
| Fundraising and membership   | 824,322              | -                         | -                         | 824,322               | 988,093               |
| <b>Total</b>   | <b>6,886,018</b>     | <b>-</b>                  | <b>-</b>                  | <b>6,886,018</b>      | <b>6,902,517</b>      |
| Increase (decrease) in net assets from operating activities before depreciation and amortization | 231,077              | (214)                     | -                         | 230,863               | (35,494)              |
| Depreciation and amortization  | 928,505              | -                         | -                         | 928,505               | 919,141               |
| <b>Decrease in net assets from operating activities</b>  | <b>(697,428)</b>     | <b>(214)</b>              | <b>-</b>                  | <b>(697,642)</b>      | <b>(954,635)</b>      |
| Non-operating revenue:   |                      |                           |                           |                       |                       |
| Contributions, gifts and grants  | 342,226              | 44,146                    | 156,127                   | 542,499               | 1,426,867             |
| Investment return less amounts designated for current operations                                 | 2,549,768            | 1,844,929                 | 94,944                    | 4,489,641             | 3,002,598             |
| Appropriations from board-designated funds   | (52,000)             | -                         | -                         | (52,000)              | (142,275)             |
| Loss on provision for uncollectible pledge receivable  | -                    | -                         | (1,077,227)               | (1,077,227)           | -                     |
| <b>Total</b>   | <b>2,839,994</b>     | <b>1,889,075</b>          | <b>(826,156)</b>          | <b>3,902,913</b>      | <b>4,287,190</b>      |
| <b>Increase (decrease) in net assets</b>   | <b>2,142,566</b>     | <b>1,888,861</b>          | <b>(826,156)</b>          | <b>3,205,271</b>      | <b>3,332,555</b>      |
| Net assets, beginning of year  | 67,774,132           | 9,701,800                 | 30,778,396                | 108,254,328           | 104,923,273           |
| Repurchases or shares reclaimed of Boston Athenaeum Proprietor shares, net                       | -                    | -                         | -                         | -                     | (1,500)               |
| <b>Net assets, end of year</b>   | <b>\$ 69,916,698</b> | <b>\$ 11,590,661</b>      | <b>\$ 29,952,240</b>      | <b>\$ 111,459,599</b> | <b>\$ 108,254,328</b> |

**PROPRIETORS OF THE BOSTON ATHENÆUM**

***Consolidated Statement of Activities***

*Year Ended September 30, 2016*

|  | <i>Unrestricted</i>  | <i>Temporarily<br/>Restricted</i> | <i>Permanently<br/>Restricted</i> | <i>Total</i>          |
|--|----------------------|-----------------------------------|-----------------------------------|-----------------------|
| Operating revenues, gains and other support:   |                      |                                   |                                   |                       |
| Contributions, gifts and grants  | \$ 1,044,786         | \$ 82,334                         | \$ -                              | \$ 1,127,120          |
| Investment return designated for current operations  | 4,165,808            | -                                 | -                                 | 4,165,808             |
| Membership dues revenue  | 1,270,078            | -                                 | -                                 | 1,270,078             |
| Events and other program revenue   | 116,072              | -                                 | -                                 | 116,072               |
| Rental and other non-program revenue   | 45,670               | -                                 | -                                 | 45,670                |
| Appropriations from board-designated funds   | 142,275              | -                                 | -                                 | 142,275               |
| Net assets released from restrictions  | 80,842               | (80,842)                          | -                                 | -                     |
| <b>Total</b>   | <b>6,865,531</b>     | <b>1,492</b>                      | <b>-</b>                          | <b>6,867,023</b>      |
| Operating expenses, excluding depreciation and amortization:                                     |                      |                                   |                                   |                       |
| Program services   | 4,797,156            | -                                 | -                                 | 4,797,156             |
| Supporting services:   |                      |                                   |                                   |                       |
| General and administrative   | 1,117,268            | -                                 | -                                 | 1,117,268             |
| Fundraising and membership   | 988,093              | -                                 | -                                 | 988,093               |
| <b>Total</b>   | <b>6,902,517</b>     | <b>-</b>                          | <b>-</b>                          | <b>6,902,517</b>      |
| Increase (decrease) in net assets from operating activities before depreciation and amortization | (36,986)             | 1,492                             | -                                 | (35,494)              |
| Depreciation and amortization  | 919,141              | -                                 | -                                 | 919,141               |
| <b>Increase (decrease) in net assets from operating activities</b>                               | <b>(956,127)</b>     | <b>1,492</b>                      | <b>-</b>                          | <b>(954,635)</b>      |
| Non-operating revenue:   |                      |                                   |                                   |                       |
| Contributions, gifts and grants  | 1,314,885            | -                                 | 111,982                           | 1,426,867             |
| Investment return less amounts designated for current operations                                 | 1,753,093            | 1,168,563                         | 80,942                            | 3,002,598             |
| Appropriations from board-designated funds   | (142,275)            | -                                 | -                                 | (142,275)             |
| <b>Total</b>   | <b>2,925,703</b>     | <b>1,168,563</b>                  | <b>192,924</b>                    | <b>4,287,190</b>      |
| <b>Increase in net assets</b>  | <b>1,969,576</b>     | <b>1,170,055</b>                  | <b>192,924</b>                    | <b>3,332,555</b>      |
| Net assets, beginning of year  | 65,806,056           | 8,531,745                         | 30,585,472                        | 104,923,273           |
| Repurchases or shares reclaimed of Boston Athenaeum Proprietor shares, net                       | (1,500)              | -                                 | -                                 | (1,500)               |
| <b>Net assets, end of year</b>   | <b>\$ 67,774,132</b> | <b>\$ 9,701,800</b>               | <b>\$ 30,778,396</b>              | <b>\$ 108,254,328</b> |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Consolidated Statements of Cash Flows*

|   | <i>Years Ended September 30,</i> |                           |
|---|----------------------------------|---------------------------|
|   | <i>2017</i>                      | <i>2016</i>               |
| <b>Cash flows from operating activities:</b>  |                                  |                           |
| Increase in net assets  | \$ <u>3,205,271</u>              | \$ <u>3,332,555</u>       |
| Adjustments to reconcile increase in net assets to net cash used in operating activities: |                                  |                           |
| Depreciation and amortization   | 928,505                          | 919,141                   |
| Loss on provision for uncollectible pledge receivable                                     | 1,077,227                        | -                         |
| Net investment gains  | (7,750,141)                      | (6,466,051)               |
| Contributions and investment income restricted for long-term investment                   | (251,071)                        | (192,924)                 |
| (Increase) decrease in operating assets:  |                                  |                           |
| Pledges receivable, net   | (59,785)                         | 47,660                    |
| Beneficial interest in perpetual trust  | (46,015)                         | (25,072)                  |
| Other assets  | 565,572                          | (604,065)                 |
| Increase (decrease) in operating liabilities:   |                                  |                           |
| Accounts payable  | 13,829                           | (143,814)                 |
| Accrued and other liabilities   | (38,701)                         | (138,407)                 |
| Deferred revenue  | <u>(26,597)</u>                  | <u>(8,380)</u>            |
| <b>Total adjustments</b>  | <u><b>(5,587,177)</b></u>        | <u><b>(6,611,912)</b></u> |
| <b>Net cash used in operating activities</b>  | <u><b>(2,381,906)</b></u>        | <u><b>(3,279,357)</b></u> |
| <b>Cash flows from investing activities:</b>  |                                  |                           |
| Expenditures for property, plant and equipment  | (266,695)                        | (64,961)                  |
| Proceeds from sales and maturities of investments   | 85,254,405                       | 12,712,323                |
| Payments for purchases of investments   | <u>(82,877,483)</u>              | <u>(9,410,270)</u>        |
| <b>Net cash provided by investing activities</b>  | <u><b>2,110,227</b></u>          | <u><b>3,237,092</b></u>   |
| <b>Cash flows from financing activities:</b>  |                                  |                           |
| Repurchases or shares reclaimed of Boston Athenæum Proprietor shares, net                 | -                                | (1,500)                   |
| Contributions and investment income restricted for long-term investment                   | <u>251,071</u>                   | <u>192,924</u>            |
| <b>Net cash provided by financing activities</b>  | <u><b>251,071</b></u>            | <u><b>191,424</b></u>     |
| <b>Net increase (decrease) in cash and cash equivalents</b>                               | <b>(20,608)</b>                  | <b>149,159</b>            |
| Cash and cash equivalents, beginning of year  | <u>626,469</u>                   | <u>477,310</u>            |
| <b>Cash and cash equivalents, end of year</b>   | <u><b>\$ 605,861</b></u>         | <u><b>\$ 626,469</b></u>  |



# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Notes to Consolidated Financial Statements*

### **Note 1 - Summary of Significant Accounting Policies**

#### **Organization**

The consolidated financial statements include the accounts of the Proprietors of the Boston Athenæum (the "Athenæum") and the Boston Library Society (the "Society"), collectively referred to as the "Athenæum". The Athenæum is a membership and research library founded in 1807. Its collection comprises more than a half million volumes, as well as a distinguished fine arts collection. The library is supported by proprietors who own shares in the library and by other members who pay annual dues. The Society was founded as a membership library in 1792. The Society's book collection and other resources were merged with that of the Athenæum in 1939. All trustees and officers of the Society are also trustees and officers of the Athenæum.

#### **Consolidated Financial Statement Presentation**

The consolidated financial statements of the Athenæum have been prepared on the accrual basis of accounting.

The Athenæum presents information regarding its financial position and activities according to three classes of net assets described as follows:

*Unrestricted* - All resources over which the governing board has discretionary control. The governing board of the Athenæum may elect to designate such resources for specific purposes. This designation may be removed at the Board's discretion.

*Temporarily restricted* - Resources accumulated through donations or grants for specific operating or capital purposes. Such resources will become unrestricted when the requirements of the donor or grantee have been satisfied through expenditure for the specified purpose or program or through the passage of time.

*Permanently restricted* - Endowment resources accumulated through donations or grants that are subject to the restriction in perpetuity that the principal be invested. Unexpended appreciation on permanently restricted net assets is included in temporarily restricted net assets until appropriated by the Board for use unless otherwise instructed by the donor.

#### **Accounting Estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant management estimates included in the consolidated financial statements include allowance for doubtful pledges receivable, valuation of alternative investments, valuation of interest in perpetual trust, useful lives of depreciable assets, releases from donor restrictions and allocation of expenses to programs.

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Notes to Consolidated Financial Statements*

### **Note 1 - Summary of Significant Accounting Policies (Continued)**

#### ***Subsequent Events***

The Athenæum has evaluated the consolidated financial statement impact of subsequent events occurring through February 8, 2018, the date that the consolidated financial statements were authorized to be issued.

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

The Athenæum considers highly liquid debt securities with maturities of three months or less at the date of purchase to be cash equivalents. The Athenæum maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Cash held by investment managers are considered part of investments given the expectation of near term reinvestment. The Athenæum monitors its exposure associated with cash in bank deposits and has not experienced any losses in such accounts.

#### ***Investments***

Investments are carried at fair value. Fair value is determined as per the fair value policies described later in this section.

Interest, dividends and net gains or losses on investments are reported in the consolidated statement of activities as increases or decreases in permanently restricted net assets if the terms of the gift require that amounts be applied to principal as increases or decreases in temporarily restricted net assets if the term of the gift or state law impose restriction on current use and increases or decreases in unrestricted net assets in all other cases.

The investments of the Athenæum are pooled and unitized for accounting purposes. Each fund subscribes to, or disposes of, units on the basis of the fair value per unit at the end of the calendar quarter within which the transactions take place. Investment income, including interest, dividends and realized and unrealized gains and losses, is allocated quarterly based on the number of units held by each fund at the beginning of the quarter.

#### ***Fair Value Measurements***

The Athenæum reports certain assets at fair value on a recurring and nonrecurring basis depending on the underlying accounting policy for the particular item. Recurring fair value measures include the Athenæum's beneficial interest in perpetual trust and its investment accounts. Nonrecurring measures include pledges receivable. The standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. In addition, the Athenæum reports certain investments using the net asset value ("NAV") per share as determined by investment managers under the so called "practical expedient". The practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using this method are met. Fair value standards also require that all financial instruments other than those accounted for under the NAV method to be classified into a three-level hierarchy, based on the priority of inputs to the valuation technique. Such classifications are as follows:

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Notes to Consolidated Financial Statements*

### **Note 1 - Summary of Significant Accounting Policies (Continued)**

#### ***Fair Value Measurements (Continued)***

Level 1 - Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments which are generally included in this category include listed equity and debt securities publicly traded on a stock exchange.

Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 - Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy and such classification would then be based on the valuation methods that are considered most significant to the fair value measurement.

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument as well as the effects of market, interest and credit risks. Instruments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these consolidated financial statements. For more information on the fair value of the Athenæum's financial instruments, see Note 3 – Investments, Beneficial Interest in Perpetual Trust and Fair Values.

#### ***Endowment Funds***

The Athenæum's endowment consists of over 500 endowment funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board to function as endowments. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed or legal restrictions.

The Athenæum classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Athenæum in a manner consistent with the standard of prudence prescribed by state law.

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Notes to Consolidated Financial Statements*

### **Note 1 - Summary of Significant Accounting Policies (Continued)**

#### ***Endowment Funds (Continued)***

In accordance with state law, the Athenæum considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

The Athenæum has adopted investment and spending policies for its Board-designated and other endowment assets that attempt to provide a predictable stream of funding for its programs while seeking to maintain the purchasing power of the endowment assets by generating a total real return, net of fees, that exceeds the spending rate over the long-term. Under this policy, as approved by the Board, the endowment assets are invested primarily in equities with a target rate of real return of 5 to 6% per annum after inflation and net of fees. Actual returns in any given year may vary from this amount. Assets are strategically allocated among diverse asset classes and investment styles in order to enhance returns and reduce portfolio volatility and other forms of risk. To satisfy its long-term rate-of-return objectives, the Athenæum relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

The Athenæum has a policy of appropriating for distribution each year 5% of its endowment fund's average fair value over the prior twelve quarters through March 31 of the year proceeding the year in which the distribution is planned. Accordingly, over the long term, the Athenæum expects the current investment policy to exceed the spending policy, thus preserving the purchasing power of the endowment. Appropriations approved for fiscal year 2018 are \$4,240,426.

#### ***Contributions, Gifts and Pledges Receivable***

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and nature of any donor restrictions when received or otherwise verifiably committed. Contributions may include actual gifts or promises to give. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor or grantor. Contributions of assets other than cash are recorded at their fair value on the date of the gift. Restricted gifts or promises to give are required to be reported as restricted support in the period received and are then released to unrestricted net assets upon satisfaction of the donor restriction if such are for other than endowment purposes. Restrictions on contributions related to the acquisition of long-lived assets are considered satisfied at the time the asset is acquired.

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Notes to Consolidated Financial Statements*

### **Note 1 - Summary of Significant Accounting Policies (Continued)**

#### ***Contributions, Gifts and Pledges Receivable (Continued)***

Unconditional promises to give are recorded at fair value when initially pledged. The initially recorded value is considered a Level 2 fair value approach. The fair value of pledges expected to be fulfilled via cash payments extending over one year is arrived at computing the present value using a risk adjusted rate when promised. Accretion of the discount is included in contributions and gifts revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met. Pledges are periodically reviewed to estimate an allowance associated with the risk of nonpayment. Management estimates the allowance based on a review of historical experience and a review of particular circumstances of individual pledges.

#### ***Recognition of Membership Revenue, Event Revenue and Rental Revenue***

Membership dues are recorded as earned over a one-year period from the date of receipt.

Events revenue is recorded as revenue on the date of the event. Advance sales are recorded as deferred revenue.

Rental revenue is recorded as revenue on the date of the rental.

#### ***Operations***

The consolidated statement of activities reports the changes in unrestricted, temporarily restricted and permanently restricted assets from operating and non-operating activities. Unrestricted revenues, gains and other support consist of those items attributable to the Athenæum's primary mission. Investment income included in operations reflects the amount computed by using the spending policy for the period as approved by the Board of Trustees. All other investment income or losses are reported as non-operating revenue. Operating revenue also includes contributions received related to annual fund support and support of the Athenæum's operations while all other contributions, gifts and grants are classified as non-operating. Temporarily restricted net assets that are released from donor restrictions that arose from donations for specific operating purposes are treated as an operating release of restrictions. Temporarily restricted net assets that are released from donor restrictions that arose from appreciation on restricted endowment funds are treated as a non-operating release of restrictions. All other activities are deemed operating.

#### ***Property, Plant and Equipment***

Building improvements, furniture and equipment, computers and software, and the automated library system are recorded at cost and depreciated in amounts sufficient to relate the cost of the assets to their estimated useful lives. Leasehold improvements are recorded at cost and amortized over the term of the lease. The land and building at 10½ Beacon Street, a registered historic landmark, are carried at cost and are not depreciated.

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Notes to Consolidated Financial Statements*

### **Note 1 - Summary of Significant Accounting Policies (Continued)**

#### ***Beneficial Interest in Perpetual Trust***

Beneficial interest in perpetual trusts represents the fair value of investments held by the trust for the benefit of the Athenæum. The trust periodically makes distributions to the Athenæum and such amounts are included within the spending policy amounts within the statement of activities. Given the perpetual nature of this instrument, changes in fair value of the underlying investments are accounted for as a non-operating item within permanently restricted net assets. In the event that the Athenæum no longer exists as an entity, such amounts could be allocable to other uses at the discretion of the trustees of the assets.

#### ***Collections***

The collections which were acquired through purchases and contributions since the Athenæum's inception are not recognized as assets on the consolidated statement of financial position; however such items are managed per the policy below. Purchases of collection items are recorded as decreases in unrestricted net assets in the year in which the items are acquired and as releases of restricted net assets if the assets used to purchase the items were used to fund the purchase. Contributed collection items are not reflected as revenue in the consolidated financial statements. Proceeds from de-accessions or insurance recoveries are reflected as increases in net assets.

The Athenæum's collections are made up of books, artifacts of historical significance and art objects that are held for educational, research, scientific and curatorial purposes. Each of the items is cataloged, preserved and cared for, and activities verifying their existence and accessing their condition are performed continuously.

#### ***Donated Services***

No amounts have been reflected in the consolidated financial statements for donated services as such items did not meet the standards for recognition. The Athenæum pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Athenæum with its programs.

From time to time, the Athenæum receives gifts in-kind which for the most part represent contributions to the collection and are not recognized as revenue. Non collection gifts in-kind are recorded as revenue when the gift is committed at its estimated fair market value using objective and acceptable methods depending on the nature of the item.

#### ***Income Tax Status***

The Athenæum is recognized by the Internal Revenue Service as an organization described under Section 501(c)(3) of the Internal Revenue Code and is generally exempt from Federal and state income taxes on related income. Accordingly, no provision for income taxes has been made in the consolidated financial statements.

# PROPRIETORS OF THE BOSTON ATHENÆUM

## Notes to Consolidated Financial Statements

### Note 1 - Summary of Significant Accounting Policies (Continued)

#### Uncertain Tax Positions

The Athenæum accounts for the effect of any uncertain tax positions based on a “more likely than not” threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a “cumulative probability assessment” that aggregates the estimated tax liability for all uncertain tax positions. The Athenæum has identified its tax status as a tax-exempt entity and its determination of which activities are related and unrelated as its only significant tax positions; however, the Athenæum has determined that such tax positions do not result in an uncertainty requiring recognition. The Athenæum is not currently under examination by any taxing jurisdiction. The Athenæum’s Federal and state tax returns are generally open for examination for three years following the date filed.

#### Functional Expense Allocation

Costs have been allocated to functional classifications based on percentage of effort, usage, square footage and other criteria.

### Note 2 - Pledges Receivable

Pledges receivable are as follows at September 30:

|                                      | <b>2017</b>              | <b>2016</b>                |
|--------------------------------------|--------------------------|----------------------------|
| Due: Less than one year              | \$ 1,482,056             | \$ 211,294                 |
| One to five years                    | -                        | 400,000                    |
| Greater than five years              | -                        | 847,203                    |
| Total pledges receivable             | <u>1,482,056</u>         | <u>1,458,497</u>           |
| Less: Discounts to present value     | -                        | (269,975)                  |
| Allowances for uncollectible pledges | <u>(1,350,976)</u>       | <u>(40,000)</u>            |
| <b>Net pledges receivable</b>        | <b><u>\$ 131,080</u></b> | <b><u>\$ 1,148,522</u></b> |

One pledge represents 92% of the pledge receivable balance as of September 30, 2016.

The allowance for uncollectible pledges increased by approximately \$1,300,000 during fiscal 2017 due to one pledge from a prior year that was rescinded by the donor.

# PROPRIETORS OF THE BOSTON ATHENÆUM

## Notes to Consolidated Financial Statements

### Note 3 - Investments, Beneficial Interest in Perpetual Trust and Fair Values

The following table is a summary of investments and beneficial interest in a perpetual trust along with the fair value method used in valuation at September 30:

|   | <b>2017</b>                 |                          |                             |                             |
|---|-----------------------------|--------------------------|-----------------------------|-----------------------------|
|   | <b>Level 1</b>              | <b>Level 3</b>           | <b>NAV</b>                  | <b>Total</b>                |
| Investments:                                |                             |                          |                             |                             |
| Money market funds                          | \$ 3,279,473                | \$ -                     | \$ -                        | \$ 3,279,473                |
| Debt securities                             | 245,952                     | -                        | -                           | 245,952                     |
| Mutual funds:                               |                             |                          |                             |                             |
| Equity securities                           | 46,559,711                  | -                        | -                           | 46,559,711                  |
| Debt securities                             | 19,695,261                  | -                        | -                           | 19,695,261                  |
| Real assets/inflation hedging securities    | -                           | -                        | 1,893,704                   | 1,893,704                   |
| Partnerships:                               |                             |                          |                             |                             |
| Equity funds                                | -                           | -                        | 18,540,540                  | 18,540,540                  |
| Preferred stock                             | 1,000                       | -                        | -                           | 1,000                       |
| Subtotal investments                        | <u>69,781,397</u>           | <u>-</u>                 | <u>20,434,244</u>           | <u>90,215,641</u>           |
| Beneficial interest in perpetual trust      | <u>-</u>                    | <u>653,187</u>           | <u>-</u>                    | <u>653,187</u>              |
| <b>Total financial assets at fair value</b> | <b>\$ <u>69,781,397</u></b> | <b>\$ <u>653,187</u></b> | <b>\$ <u>20,434,244</u></b> | <b>\$ <u>90,868,828</u></b> |



# PROPRIETORS OF THE BOSTON ATHENÆUM

## Notes to Consolidated Financial Statements

### Note 3 - Investments, Beneficial Interest in Perpetual Trust and Fair Values (Continued)

The following table is a summary of investments and beneficial interest in a perpetual trust along with the fair value method used in valuation at September 30:

|   | <b>2016</b>                 |                          |                             |                             |
|---|-----------------------------|--------------------------|-----------------------------|-----------------------------|
|   | <b>Level 1</b>              | <b>Level 3</b>           | <b>NAV</b>                  | <b>Total</b>                |
| Investments:                                |                             |                          |                             |                             |
| Money market funds                          | \$ 5,973,192                | \$ -                     | \$ -                        | \$ 5,973,192                |
| Equity securities                           | 3,660,259                   | -                        | -                           | 3,660,259                   |
| Debt securities                             | 276,084                     | -                        | -                           | 276,084                     |
| Mutual funds:                               |                             |                          |                             |                             |
| Equity securities                           | 19,317,182                  | -                        | 5,417,709                   | 24,734,891                  |
| Debt securities                             | 10,649,451                  | -                        | -                           | 10,649,451                  |
| Real assets/inflation hedging securities    | 5,452,446                   | -                        | 5,687,997                   | 11,140,443                  |
| Partnerships:                               |                             |                          |                             |                             |
| Equity funds                                | -                           | -                        | 17,467,189                  | 17,467,189                  |
| Hedge funds                                 | -                           | -                        | 10,939,913                  | 10,939,913                  |
| Preferred stock                             | 1,000                       | -                        | -                           | 1,000                       |
| Subtotal investments                        | <u>45,329,614</u>           | <u>-</u>                 | <u>39,512,808</u>           | <u>84,842,422</u>           |
| Beneficial interest in perpetual trust      | <u>-</u>                    | <u>607,172</u>           | <u>-</u>                    | <u>607,172</u>              |
| <b>Total financial assets at fair value</b> | <b><u>\$ 45,329,614</u></b> | <b><u>\$ 607,172</u></b> | <b><u>\$ 39,512,808</u></b> | <b><u>\$ 85,449,594</u></b> |

All of the investments at September 30, 2017 and 2016 measured at NAV have redemption periods of 90 days or less.

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Notes to Consolidated Financial Statements*

### *Note 3 - Investments, Beneficial Interest in Perpetual Trust and Fair Values (Continued)*

|   | <b>Level 3<br/>Roll Forward</b> |
|---|---------------------------------|
| Beneficial interest in perpetual trust<br>balance at September 30, 2015 | \$ 582,100                      |
| Investment return   | 59,614                          |
| Distributions and fees  | <u>(34,542)</u>                 |
| Beneficial interest in perpetual trust<br>balance at September 30, 2016 | 607,172                         |
| Investment return   | 67,494                          |
| Distributions and fees  | <u>(21,479)</u>                 |
| Beneficial interest in perpetual trust<br>balance at September 30, 2017 | \$ <u><u>653,187</u></u>        |

The following schedule summarizes the investment return and its classification in the consolidated statement of activities for the year ended September 30, 2017:

|   | <b><i>Unrestricted</i></b> | <b><i>Temporarily<br/>Restricted</i></b> | <b><i>Permanently<br/>Restricted</i></b> | <b><i>Total</i></b>        |
|---|----------------------------|--|--|----------------------------|
| Interest and dividend income  | \$ 579,884                 | \$ 458,431                               | \$ 2,926                                 | \$ 1,041,241               |
| Net realized and unrealized gains                                   | 4,428,093                  | 3,392,903                                | 92,497                                   | 7,913,493                  |
| Investment management fees  | <u>(102,107)</u>           | <u>(82,621)</u>                          | <u>(479)</u>                             | <u>(185,207)</u>           |
| Total return on investments   | <u>4,905,870</u>           | <u>3,768,713</u>                         | <u>94,944</u>                            | <u>8,769,527</u>           |
| Less: investment return designated<br>for current operations        | <u>2,356,102</u>           | <u>1,923,784</u>                         | <u>-</u>                                 | <u>4,279,886</u>           |
| Investment return less amounts<br>designated for current operations | <u><u>\$ 2,549,768</u></u> | <u><u>\$ 1,844,929</u></u>               | <u><u>\$ 94,944</u></u>                  | <u><u>\$ 4,489,641</u></u> |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## Notes to Consolidated Financial Statements

### Note 3 - Investments, Beneficial Interest in Perpetual Trust and Fair Values (Continued)

The following schedule summarizes the investment return and its classification in the consolidated statement of activities for the year ended September 30, 2016:

|   | <i>Unrestricted</i> | <i>Temporarily<br/>Restricted</i> | <i>Permanently<br/>Restricted</i> | <i>Total</i>        |
|---|---------------------|-----------------------------------|-----------------------------------|---------------------|
| Interest and dividend income  | \$ 485,340          | \$ 361,935                        | \$ 16,732                         | \$ 864,007          |
| Net realized and unrealized losses                                  | 3,832,787           | 2,693,027                         | 64,936                            | 6,590,750           |
| Investment management fees  | <u>(169,201)</u>    | <u>(116,424)</u>                  | <u>(726)</u>                      | <u>(286,351)</u>    |
| Total return on investments   | <u>4,148,926</u>    | <u>2,938,538</u>                  | <u>80,942</u>                     | <u>7,168,406</u>    |
| Less: investment return designated<br>for current operations        | <u>2,395,833</u>    | <u>1,769,975</u>                  | <u>-</u>                          | <u>4,165,808</u>    |
| Investment return less amounts<br>designated for current operations | <u>\$ 1,753,093</u> | <u>\$ 1,168,563</u>               | <u>\$ 80,942</u>                  | <u>\$ 3,002,598</u> |

Certain fund's management fees are embedded against returns and, accordingly, the investment fees reported above relate only to those costs incurred directly by the Athenæum or separately disclosed by fund managers.

The Athenæum has no intentions or plans to liquidate any NAV practical expedient investments at other than NAV per share. There were no unfunded commitments under various investment vehicles at September 30, 2017 or 2016.

### Note 4 - Property, Plant and Equipment

Property, plant and equipment as of September 30 consist of:

|   | <i>2017</i>          | <i>2016</i>          |
|---|----------------------|----------------------|
| Land and building                               | \$ 199,303           | \$ 199,303           |
| Building and leasehold improvements             | 33,890,736           | 33,732,907           |
| Furniture and equipment                         | 1,166,039            | 1,063,996            |
| Computers and software                          | 67,217               | 60,395               |
| Automated library system                        | <u>179,133</u>       | <u>179,133</u>       |
|   | 35,502,428           | 35,235,734           |
| Less: accumulated depreciation and amortization | <u>14,516,876</u>    | <u>13,588,372</u>    |
|   | <u>\$ 20,985,552</u> | <u>\$ 21,647,362</u> |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Notes to Consolidated Financial Statements*

### **Note 5 - Endowment Assets**

Endowment assets include donor-restricted and Board-designated investments as well as beneficial interests in perpetual trusts. Changes in endowment assets for the years ended September 30, 2017 and 2016 are as follows:

|  | <b>2017</b>                 |                                   |                                   | <b>Total</b>                |
|--|-----------------------------|-----------------------------------|-----------------------------------|-----------------------------|
|  | <b>Unrestricted</b>         | <b>Temporarily<br/>Restricted</b> | <b>Permanently<br/>Restricted</b> |                             |
| Endowment and funds functioning<br>as endowment, beginning of year   | \$ 45,942,172               | \$ 9,196,203                      | \$ 29,701,168                     | \$ 84,839,543               |
| Investment return:   |                             |                                   |                                   |                             |
| Interest and dividend income   | 549,326                     | 458,431                           | 2,926                             | 1,010,683                   |
| Net realized and unrealized gains                                    | 4,316,555                   | 3,504,441                         | 92,497                            | 7,913,493                   |
| Investment management fees   | <u>(92,851)</u>             | <u>(82,621)</u>                   | <u>(479)</u>                      | <u>(175,951)</u>            |
| Investment return before<br>reclassification                         | 4,773,030                   | 3,880,251                         | 94,944                            | 8,748,225                   |
| Reclassification of deficient funds                                  | <u>111,538</u>              | <u>(111,538)</u>                  | <u>-</u>                          | <u>-</u>                    |
| Total investment return  | 4,884,568                   | 3,768,713                         | 94,944                            | 8,748,225                   |
| Additions  | 305,000                     | -                                 | 113,901                           | 418,901                     |
| Appropriation for expenditure  | <u>(2,400,228)</u>          | <u>(1,879,638)</u>                | <u>-</u>                          | <u>(4,279,866)</u>          |
| <b>Endowment and funds functioning<br/>as endowment, end of year</b> | <b><u>\$ 48,731,512</u></b> | <b><u>\$ 11,085,278</u></b>       | <b><u>\$ 29,910,013</u></b>       | <b><u>\$ 89,726,803</u></b> |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Notes to Consolidated Financial Statements*

### *Note 5 - Endowment Assets (Continued)*

|  | 2016                        |                               |                               | <i>Total</i>                |
|--|-----------------------------|-------------------------------|-------------------------------|-----------------------------|
|  | <i>Unrestricted</i>         | <i>Temporarily Restricted</i> | <i>Permanently Restricted</i> |                             |
| Endowment and funds functioning as endowment, beginning of year  | \$ 43,639,621               | \$ 8,019,199                  | \$ 29,440,308                 | \$ 81,099,128               |
| Investment return:   |                             |                               |                               |                             |
| Interest and dividend income                                     | 459,585                     | 361,936                       | 16,732                        | 838,253                     |
| Net realized and unrealized gains                                | 3,638,055                   | 2,887,758                     | 64,936                        | 6,590,749                   |
| Investment management fees                                       | <u>(153,047)</u>            | <u>(116,424)</u>              | <u>(726)</u>                  | <u>(270,197)</u>            |
| Investment return before reclassification                        | 3,944,593                   | 3,133,270                     | 80,942                        | 7,158,805                   |
| Reclassification of deficient funds                              | <u>195,012</u>              | <u>(195,012)</u>              | <u>-</u>                      | <u>-</u>                    |
| Total investment return  | 4,139,605                   | 2,938,258                     | 80,942                        | 7,158,805                   |
| Additions  | 567,500                     | -                             | 179,918                       | 747,418                     |
| Appropriation for expenditure                                    | <u>(2,404,554)</u>          | <u>(1,761,254)</u>            | <u>-</u>                      | <u>(4,165,808)</u>          |
| <b>Endowment and funds functioning as endowment, end of year</b> | <b><u>\$ 45,942,172</u></b> | <b><u>\$ 9,196,203</u></b>    | <b><u>\$ 29,701,168</u></b>   | <b><u>\$ 84,839,543</u></b> |

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor-imposed restrictions require the Athenæum to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature are reported in unrestricted net assets. Such deficiencies amounted to \$78,499 and \$190,037 as of September 30, 2017 and 2016, respectively.

# PROPRIETORS OF THE BOSTON ATHENÆUM

## Notes to Consolidated Financial Statements

### Note 6 - Leases

The Athenæum leases a portion of its facilities under operating lease agreements which expire through 2024. Rent expense was \$213,229 and \$217,930 in 2017 and 2016, respectively. The lease agreements provide for the payment of increases in operating costs of the related facility over the term of the leases. Future minimum lease payments are as follows:

| <b>Year Ending<br/>September 30,</b> |                          |
|--------------------------------------|--------------------------|
| 2018                                 | \$ 135,150               |
| 2019                                 | 135,150                  |
| 2020                                 | 135,150                  |
| 2021                                 | 135,150                  |
| 2022                                 | 135,150                  |
| 2023 - Thereafter                    | <u>236,513</u>           |
|                                      | <b>\$ <u>912,263</u></b> |

### Note 7 - Functional Expenses

Functional expenses including depreciation have been allocated to the programs and supporting services benefited as of September 30 as follows:

|                            | <b>2017</b>                | <b>2016</b>                |
|----------------------------|----------------------------|----------------------------|
| Operating expenses:        |                            |                            |
| Program services           | \$ 5,845,544               | \$ 5,666,557               |
| Supporting services:       |                            |                            |
| General and administrative | 1,127,944                  | 1,150,730                  |
| Fundraising and membership | <u>841,035</u>             | <u>1,004,371</u>           |
| <b>Total</b>               | <b>\$ <u>7,814,523</u></b> | <b>\$ <u>7,821,658</u></b> |

### Note 8 - Employees' Retirement Plan

Retirement benefits for employees are funded and vested under a defined contribution plan with Teachers Insurance and Annuity Association and the College Retirement Equities Fund (TIAA-CREF). The Athenæum's contribution percentage was 5% plus an additional match of up to 3% (maximum possible contribution of 8%) for the years ended September 30, 2017 and 2016. The Athenæum's expense under this program is recorded and accounted for annually as a portion of the total compensation of each eligible participant and aggregated \$189,923 and \$172,194 for 2017 and 2016, respectively.

# PROPRIETORS OF THE BOSTON ATHENÆUM

## Notes to Consolidated Financial Statements

### Note 8 - Employees' Retirement Plan (Continued)

The Athenæum also has a supplemental deferred annuity plan with TIAA-CREF that qualifies under Section 403(b) of the Internal Revenue Code. Employees may make voluntary deferrals into the plan up to the maximum amount allowed by the Internal Revenue Code. The Athenæum does not contribute to this plan.

### Note 9 - Net Assets

#### Unrestricted Net Assets - Board-Designated

The following is a summary of unrestricted board-designated net asset activity for the years ended September 30, 2017 and 2016:

| 2017                         |                          |                  |   |   |  |                       |
|------------------------------|--------------------------|------------------|---|---|--|-----------------------|
| <i>Board-Designated Fund</i> | <i>Beginning Balance</i> | <i>Additions</i> | <i>Draw Down (for Capital Expenditures)</i> | <i>Draw Down (for Non-capital Expenditures)</i> | <i>Investment Income (Net of Fees)</i> | <i>Ending Balance</i> |
| 10 1/2 Beacon Street Fund    | \$ 1,071,718             | \$ -             | \$ (193,757)                                | \$ -  | \$ 2,935                               | \$ 880,896            |
| Vision fund                  | 175,166                  | -                | -   | (52,000)  | -                                      | 123,166               |
| Art deaccession funds        | 23,358                   | 950              | -   | -   | -                                      | 24,308                |
| Art acquisition funds        | 8,653                    | 1,793            | -   | -   | -                                      | 10,446                |
| <b>Total</b>                 | <b>\$ 1,278,895</b>      | <b>\$ 2,743</b>  | <b>\$ (193,757)</b>                         | <b>\$ (52,000)</b>                              | <b>\$ 2,935</b>                        | <b>\$ 1,038,816</b>   |

  

| 2016                         |                          |                   |   |   |  |                       |
|------------------------------|--------------------------|-------------------|---|---|--|-----------------------|
| <i>Board-Designated Fund</i> | <i>Beginning Balance</i> | <i>Additions</i>  | <i>Draw Down (for Capital Expenditures)</i> | <i>Draw Down (for Non-capital Expenditures)</i> | <i>Investment Income (Net of Fees)</i> | <i>Ending Balance</i> |
| 10 1/2 Beacon Street Fund    | \$ 461,084               | \$ 752,385        | \$ (90,833)                                 | \$ (51,460)                                     | \$ 542                                 | \$ 1,071,718          |
| Vision fund                  | 265,060                  | -                 | -   | (89,894)  | -                                      | 175,166               |
| Art deaccession funds        | 22,008                   | 1,350             | -   | -   | -                                      | 23,358                |
| Art acquisition funds        | 9,574                    | -                 | -   | (921)   | -                                      | 8,653                 |
| <b>Total</b>                 | <b>\$ 757,726</b>        | <b>\$ 753,735</b> | <b>\$ (90,833)</b>                          | <b>\$ (142,275)</b>                             | <b>\$ 542</b>                          | <b>\$ 1,278,895</b>   |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## Notes to Consolidated Financial Statements

### Note 9 - Net Assets (Continued)

#### Unrestricted Net Assets

Unrestricted net assets include amounts originally contributed by the first Proprietors of the Athenæum in exchange for shares issued in 1807 and again in exchange for shares issued in a recapitalization in 1835. In total, 1,049 shares were authorized and 907 are issued and outstanding. Today these shares have no open market value. A nominal value of \$5,000 per share had been authorized by the Trustees in recent years and was applied on occasions when the Athenæum redeemed shares from Proprietors or when the Athenæum issued previously redeemed shares to new Proprietors. During the year ended September 30, 2015, the Trustees voted to discontinue the practice of issuing or redeeming shares for any nominal value. One share was repurchased during the year ended September 30, 2016, pursuant to an agreement made prior to the change in practice. The Athenæum is under no obligation to repurchase or to reissue shares.

#### Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purpose at September 30:

|  | <b>2017</b>                 | <b>2016</b>                |
|--|-----------------------------|----------------------------|
| Appreciation on restricted book funds available<br>for book acquisitions                       | \$ 5,742,634                | \$ 4,844,270               |
| Appreciation on restricted special purpose<br>endowment funds available for program activities | 2,953,402                   | 2,128,716                  |
| Appreciation on general endowment funds available<br>for appropriation                         | 2,293,401                   | 2,025,139                  |
| Time restriction   | 170,294                     | 503,318                    |
| Program activities   | <u>430,930</u>              | <u>200,357</u>             |
| <b>Total</b>   | <b><u>\$ 11,590,661</u></b> | <b><u>\$ 9,701,800</u></b> |

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors for the year ended September 30 as follows:

|                                     | <b>2017</b>       | <b>2016</b>      |
|-------------------------------------|-------------------|------------------|
| Expenditures for program activities | \$ <u>145,062</u> | \$ <u>80,842</u> |



# PROPRIETORS OF THE BOSTON ATHENÆUM

## Notes to Consolidated Financial Statements

### Note 9 - Net Assets (Continued)

#### Permanently Restricted Net Assets

Permanently restricted net assets are as follows at September 30:

|  | <b>2017</b>                 | <b>2016</b>                 |
|--|-----------------------------|-----------------------------|
| Book fund endowment                    | \$ 12,802,347               | \$ 12,601,872               |
| Other special purpose endowment        | 13,399,475                  | 14,426,106                  |
| General endowment                      | 3,097,231                   | 3,143,246                   |
| Beneficial interest in perpetual trust | <u>653,187</u>              | <u>607,172</u>              |
|  | <b><u>\$ 29,952,240</u></b> | <b><u>\$ 30,778,396</u></b> |

Fifty percent of the Board-approved spending rule from most book funds covers the costs of acquiring books and other specified materials for the collection. The remaining fifty percent associated with these funds is used to cover the costs of the cataloging, conservation, preservation and maintenance of the book collection.

### Note 10 - Related Parties

The Athenæum from time to time enters into transactions pursuant to its existing conflict of interest policy to ensure that such transactions are considered in the best interest of the Athenæum. The transactions are reviewed and approved by the Board of Trustees annually. These transactions were as follows:

The Treasurer of the Athenæum is a principal in the investment company that is the custodian of the Athenæum's investments. Custodian and investment management fees incurred from this company amounted to \$59,110 and \$55,578 in 2017 and 2016, respectively.

A member of the Board of Trustees of the Athenæum is a retired managing director in a company that was an investment consultant for the Athenæum during 2017. Investment consultant fees incurred from this company amounted to \$1,742 and \$134,724 in 2017 and 2016, respectively.

A member of the Board of Trustees of the Athenæum is a retired partner in one of the Athenæum's legal firms. Legal fees incurred from this firm amounted to \$35,228 and \$0 in 2017 and 2016, respectively.

A member of the Board of Trustees of the Athenæum is an investment director in a partnership in which the Athenæum owns investments with a fair value of \$1,893,704 and \$5,687,997 as of September 30, 2017 and 2016, respectively. Management fees incurred amounted to \$62,161 and \$34,371 in 2017 and 2016, respectively.

A former member of the Board of Trustees of the Athenæum (who became a member during the year ended September 30, 2016) is the owner of a book store in which the Athenæum purchases books from. The Athenæum purchased \$221,696 and \$42,400 of books from the store in 2017 and 2016, respectively.

***Supplemental Schedules***

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Consolidating Statement of Financial Position*

*September 30, 2017*

|   | <i>Proprietors<br/>of the Boston<br/>Athenæum</i> | <i>The Boston<br/>Library<br/>Society</i> | <i>Consolidated</i>   |
|---|---|---|-----------------------|
| <b>Assets</b>                           |   |   |                       |
| Cash and cash equivalents               | \$ 604,974  | \$ 887                                    | \$ 605,861            |
| Pledges receivable, net                 | 131,080   | -   | 131,080               |
| Other assets                            | 130,249   | -   | 130,249               |
| Investments                             | 89,236,641  | 979,000                                   | 90,215,641            |
| Property, plant and equipment, net      | 20,985,552  | -   | 20,985,552            |
| Beneficial interest in perpetual trust  | 653,187   | -   | 653,187               |
|   | <hr/>   | <hr/>                                     | <hr/>                 |
| <b>Total assets</b>                     | <b>\$ 111,741,683</b>                             | <b>\$ 979,887</b>                         | <b>\$ 112,721,570</b> |
|   | <hr/> <hr/>                                       | <hr/> <hr/>                               | <hr/> <hr/>           |
| <b>Liabilities and Net Assets</b>       |   |   |                       |
| Liabilities:                            |   |   |                       |
| Accounts payable                        | \$ 147,988  | \$ -                                      | \$ 147,988            |
| Accrued and other liabilities           | 485,654   | 571                                       | 486,225               |
| Deferred revenue                        | 627,758   | -   | 627,758               |
|   | <hr/>   | <hr/>                                     | <hr/>                 |
| <b>Total liabilities</b>                | <b>1,261,400</b>                                  | <b>571</b>                                | <b>1,261,971</b>      |
|   | <hr/>   | <hr/>                                     | <hr/>                 |
| Net assets:                             |   |   |                       |
| Unrestricted                            | 69,259,444  | 657,254                                   | 69,916,698            |
| Temporarily restricted                  | 11,284,599  | 306,062                                   | 11,590,661            |
| Permanently restricted                  | 29,936,240  | 16,000                                    | 29,952,240            |
|   | <hr/>   | <hr/>                                     | <hr/>                 |
| <b>Total net assets</b>                 | <b>110,480,283</b>                                | <b>979,316</b>                            | <b>111,459,599</b>    |
|   | <hr/>   | <hr/>                                     | <hr/>                 |
| <b>Total liabilities and net assets</b> | <b>\$ 111,741,683</b>                             | <b>\$ 979,887</b>                         | <b>\$ 112,721,570</b> |
|   | <hr/> <hr/>                                       | <hr/> <hr/>                               | <hr/> <hr/>           |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Schedules of Operating Expenses*

|  | <i>Years Ended September 30,</i> |                     |
|--|----------------------------------|---------------------|
|  | <b>2017</b>                      | <b>2016</b>         |
| Salaries and wages   | \$ 3,320,020                     | \$ 3,148,234        |
| Fringe benefits  | 627,670                          | 590,168             |
| Purchase of books, periodicals and art works                       | 556,472                          | 539,076             |
| Utilities and telephone  | 434,649                          | 437,095             |
| Building repair, maintenance and supplies                          | 430,889                          | 378,688             |
| Payroll taxes  | 258,883                          | 298,839             |
| Rent   | 213,229                          | 217,930             |
| Office and postage expense   | 203,904                          | 195,323             |
| Receptions, travel and entertainment expense                       | 134,861                          | 163,858             |
| Professional fees - other  | 126,166                          | 185,312             |
| Contracted services - cataloging                                   | 91,441                           | 80,234              |
| Contracted services - exhibitions                                  | 87,022                           | 67,686              |
| Printing   | 86,579                           | 107,362             |
| Insurance  | 84,075                           | 83,256              |
| Contracted services - other  | 72,449                           | 229,882             |
| Auditing   | 49,500                           | 69,810              |
| Legal  | 42,093                           | 23,170              |
| Contracted services - lectures and concerts                        | 24,236                           | 34,890              |
| Contracted services - preservation and digital services            | 23,880                           | 34,404              |
| Grants   | 18,000                           | 17,300              |
|  | <hr/>                            | <hr/>               |
| <b>Operating expenses, excluding depreciation and amortization</b> | <b>6,886,018</b>                 | <b>6,902,517</b>    |
|  |                                  |                     |
| Depreciation and amortization                                      | 928,505                          | 919,141             |
|  | <hr/>                            | <hr/>               |
|  | <b>\$ 7,814,523</b>              | <b>\$ 7,821,658</b> |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Book Endowment Funds*

*September 30, 2017*

|   |    |           |
|---|----|-----------|
| Adams, Thomas H.                                      | \$ | 17,063    |
| Akins, Cary W., M.D.                                  |    | 4,442     |
| Aldrich, C. Duane                                     |    | 115,671   |
| Aldrich, Virginia                                     |    | 68,102    |
| Alexander, Jean Sears                                 |    | 6,168     |
| Allen, Adele Waterman                                 |    | 43,604    |
| Altschuller, Alex & Trish                             |    | 3,884     |
| Ames, Sarah Russell                                   |    | 377,238   |
| Anderson, Catherine S.                                |    | 18,674    |
| Anderson, Rae & Christina                             |    | 10,009    |
| Appleton, Helen Kortright                             |    | 48,730    |
| Appleton, Samuel                                      |    | 140,957   |
| Armstrong, Katharine Cortesi                          |    | 8,892     |
| Armstrong, Rodney                                     |    | 309,542   |
| Atkins, Robert E.                                     |    | 18,093    |
| Atkinson, Susan Ashley                                |    | 14,161    |
| Ayer, Dr. & Mrs. James Bourne                         |    | 681,820   |
| Baker, Morton H.                                      |    | 10,353    |
| Banks, Gail & Edward C. Pinkus                        |    | 38,625    |
| Bardwell, T. C.                                       |    | 6,296     |
| Barrett, Joan & Dorothea Bowditch Jones               |    | 9,643     |
| Batchelder, Katharine A.                              |    | 20,527    |
| Beacon Hill Reading Group                             |    | 15,958    |
| Beck, Emily Morison                                   |    | 5,440     |
| Belknap, Judith Levitt                                |    | 10,738    |
| Bemis, George F. - reading room and purchase of books |    | 307,077   |
| Bennett, Susan  |    | 21,692    |
| Bentinck-Smith, William                               |    | 70,788    |
| Berman, Ann E. & Samuel S. Spektor Jr.                |    | 63,669    |
| Beston, Henry   |    | 7,271     |
| Biewend, Cameron                                      |    | 42,031    |
| Billings, Robert Charles                              |    | 22,081    |
| Bird, Anna Child                                      |    | 260,903   |
| Bird, Charles Sumner                                  |    | 51,001    |
| Bishop, John, IV                                      |    | 7,734     |
| Bledsoe, Robin  |    | 4,865     |
| Bloom, Arnold   |    | 6,343     |
| Bok, Derek & Sissela                                  |    | 11,613    |
| Bok, Joan Toland                                      |    | 113,292   |
| Boston Library Society book funds                     |    | 95,961    |
| Bowditch, Nathaniel Ingersoll                         |    | 11,037    |
| Bradford, Edward H. & Edith Fiske                     |    | 20,419    |
| Brandt, John H.                                       |    | 24,010    |
| Bromfield, John                                       |    | 6,295,569 |
| Brown, Annella  |    | 9,960     |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Book Endowment Funds*

*September 30, 2017*

|  |    |         |
|--|----|---------|
| Brush, Ruth Seaman                                 | \$ | 60,929  |
| Bryant, William J.                                 |    | 14,518  |
| Buchanan, Helen E.                                 |    | 3,984   |
| Buchanan, Paul G.                                  |    | 5,226   |
| Bush, James & Reginald Taylor                      |    | 4,808   |
| Cahill, Dorothy G.                                 |    | 53,770  |
| Carey, Margaret                                    |    | 22,410  |
| Carlhian, Jean Paul                                |    | 5,651   |
| Cheimets, Sheila                                   |    | 13,274  |
| Child, Susan Furlow                                |    | 39,173  |
| Clark, Edward                                      |    | 6,564   |
| Clark, George H.                                   |    | 11,457  |
| Clark, Grenville, Jr.                              |    | 26,525  |
| Cohen, Winifred                                    |    | 9,542   |
| Cohn, Haskell                                      |    | 101,124 |
| Collier, David & Thomas                            |    | 16,545  |
| Confederate Imprints Fund                          |    | 116,463 |
| Cooke, Pauline M.                                  |    | 6,387   |
| Coolidge, Georgina L. & Lucy R.                    |    | 5,419   |
| Cortesi, Roger                                     |    | 20,722  |
| Coughlin, William G.                               |    | 75,883  |
| Council of Associate Members                       |    | 22,028  |
| Cox, Archibald                                     |    | 29,936  |
| Crowell, Thomas Irving                             |    | 16,859  |
| Cunningham, Henry W.                               |    | 18,403  |
| Cushing, William T. & Jean G.                      |    | 24,069  |
| Cuthrell, Hiram J., Jr.                            |    | 5,550   |
| Cutler, Anna W.                                    |    | 13,483  |
| Danielson, Barbara Deering                         |    | 44,417  |
| Davis, George Bancroft                             |    | 23,746  |
| de Neufville, Richard & Virginia                   |    | 5,471   |
| Demarest, William                                  |    | 7,437   |
| Dickinson, Charles C., III                         |    | 44,226  |
| Dodge, Rear Admiral F. Riley                       |    | 9,596   |
| Donaldson, Denny Emanuel                           |    | 4,154   |
| Drogue, Walter G.                                  |    | 56,797  |
| Duke, Peter Beauregard                             |    | 86,947  |
| Dumbaugh, Frank Richard & Alice Josephine Cantwell |    | 255,691 |
| Eliot, Theresa Ann                                 |    | 52,338  |
| Elliot, John Morse                                 |    | 46,337  |
| Emerson, Dr. & Mrs. L. Eugene                      |    | 16,035  |
| Falco, K. Mathea                                   |    | 11,168  |
| Fine, Norma & Phil                                 |    | 17,648  |
| Flahive, Gertrude O.                               |    | 8,792   |
| Flood, Dorothy J.                                  |    | 9,314   |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Book Endowment Funds*

*September 30, 2017*

|                                 |    |         |
|---------------------------------|----|---------|
| Flower, Nicholas William        | \$ | 5,548   |
| Friedman, Lee M.                |    | 203,936 |
| Galvin, John T. & Ruth M.       |    | 74,456  |
| Gannon, Joseph J.               |    | 19,822  |
| Gowing, Charles D.              |    | 8,265   |
| Gowing, Elizabeth Stuart        |    | 53,858  |
| Gray, Russell                   |    | 22,081  |
| Greene, Charlotte Nichols       |    | 22,077  |
| Greene, Stephen                 |    | 59,629  |
| Halfyard, Robert L.             |    | 303,798 |
| Harder, Hollie Markland, Dr.    |    | 13,808  |
| Harder, Torrence C.             |    | 19,150  |
| Harrison, John P.               |    | 10,923  |
| Hart, Francis B.                |    | 34,451  |
| Hartmann, Edward G.             |    | 5,690   |
| Healy, Henry S.                 |    | 68,179  |
| Helman, Edith F.                |    | 13,989  |
| Hemenway, Alfred                |    | 22,081  |
| Herrick, George Gardner         |    | 15,557  |
| Hersey, Heloise                 |    | 16,557  |
| Higgins, Eileen                 |    | 5,898   |
| Hilton, Nancy T.                |    | 246,573 |
| Hofer, Philip                   |    | 80,091  |
| Hollingsworth, Amor             |    | 8,395   |
| Hornblower, Henry               |    | 153,112 |
| Houghton, Priscilla Dewey       |    | 5,040   |
| Huff, Ann & J. Craig            |    | 2,855   |
| Hulse, James Henry              |    | 8,060   |
| Hurd, Christopher W.            |    | 9,803   |
| Hurd, Joy Dickerman             |    | 14,477  |
| Hyland, Christopher S.          |    | 9,636   |
| Ingalls, Jerome M.              |    | 5,231   |
| Ingram, David B.                |    | 11,647  |
| Jackson, Charles                |    | 127,539 |
| Janicco, Terence                |    | 11,630  |
| Johnson, Elsie Livingston       |    | 161,064 |
| Johnson, Harriet                |    | 4,907   |
| Johnson, Marrian G.             |    | 16,479  |
| Jolliffe, Ruth Oliver           |    | 31,766  |
| Justley, Kathryn B.             |    | 4,387   |
| Kates, Sumner Roy               |    | 46,565  |
| Kehoe, William F.               |    | 123,230 |
| Kelsey, Robert Louis            |    | 101,700 |
| King, Stanley & Margaret P.     |    | 28,014  |
| Klinck, Mary Elizabeth deFreest |    | 17,375  |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Book Endowment Funds*

*September 30, 2017*

|   |    |         |
|---|----|---------|
| Klinck, Mason Joseph O'Neil, Sr.          | \$ | 21,455  |
| Koelsch, Alvin C. & Alice B.              |    | 12,687  |
| Kosta, Mary                               |    | 5,881   |
| Krasauskas, John                          |    | 27,354  |
| Kunian, Stephen T.                        |    | 35,922  |
| Lacy, Clive W.                            |    | 31,637  |
| Lally, Francis J.                         |    | 8,757   |
| Lamb, Rosamond                            |    | 15,810  |
| Lamont, John H., M.D. & Lorna J.          |    | 52,888  |
| Lang, Howard W.                           |    | 98,671  |
| Larus, Joel                               |    | 15,398  |
| Laughlin, Henry A.                        |    | 6,689   |
| Leef, Andrew Newton                       |    | 8,641   |
| Leef, Charles N.                          |    | 4,858   |
| Lewis, Bettilu Porterfield                |    | 22,361  |
| Life Members Book Fund                    |    | 46,589  |
| Lincoln, Robin                            |    | 14,007  |
| Logan, Sheridan Ashton                    |    | 49,070  |
| Lord, Arthur                              |    | 62,249  |
| Loring, Augustus P.                       |    | 57,859  |
| Loring, Caleb, Jr. - Confederate Imprints |    | 174,400 |
| Loring, Stanton D.                        |    | 19,709  |
| Lyman, Cynthia & John L.                  |    | 48,405  |
| MacFadden, Priscilla S.                   |    | 93,537  |
| Malt, Ronald A.                           |    | 46,661  |
| Maltsberger, Ruth Rogers                  |    | 58,983  |
| Manning, Hiram Peter                      |    | 11,737  |
| Marcantonio, Joseph                       |    | 27,647  |
| Marshall, Jane & Jeffrey                  |    | 51,954  |
| Matthews, Albert                          |    | 29,860  |
| Maycock, Susan E.                         |    | 8,323   |
| Mazzulli, Luigi & Mary                    |    | 16,350  |
| McElaney, Elizabeth                       |    | 7,422   |
| McGrath, Linda Byers                      |    | 5,419   |
| McKibbin, David M. K.                     |    | 65,538  |
| Members book funds                        |    | 25,185  |
| Merrill, Mary                             |    | 55,919  |
| Metcalf, Arthur G. B.                     |    | 88,302  |
| Mill, Wm. Malcolm & Mildred Foye          |    | 9,002   |
| Milton, Constance R.                      |    | 10,838  |
| Mitchell, Jerrold I. W.                   |    | 21,419  |
| Moore, Roger Allan                        |    | 9,052   |
| Morison, Patricia G.                      |    | 5,612   |
| Morse, Samuel T.                          |    | 31,647  |
| Moulton, Arthur Wheelock                  |    | 37,707  |



# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Book Endowment Funds*

*September 30, 2017*

|                                    |    |         |
|------------------------------------|----|---------|
| Mountz, James T.                   | \$ | 5,252   |
| Mullins, Corinne M.                |    | 18,401  |
| Mulroy, Richard & Anne             |    | 6,922   |
| Murray, Henry A.                   |    | 17,723  |
| Nathan, E. Geoffrey & Ruth Gordon  |    | 6,140   |
| Nelson, Alan A.                    |    | 2,929   |
| Neustadt, Maurice                  |    | 5,001   |
| Newman, Oliver Adams               |    | 55,947  |
| Nichols, Frederick                 |    | 87,220  |
| Nichols, Guy                       |    | 6,045   |
| Nichols, J. Howard                 |    | 9,194   |
| Nichols, Lyman                     |    | 50,186  |
| Nordell, Roderick                  |    | 18,793  |
| Nylander, Robert Harrington        |    | 10,355  |
| O'Brian, Patrick                   |    | 6,658   |
| Oliver, Andrew                     |    | 85,955  |
| Oliver, Peter                      |    | 41,410  |
| O'Meara, Michael J. & Ellen Esther |    | 42,717  |
| Osborne, Marjorie B. & Gordon      |    | 44,520  |
| Osgood, Esther E.                  |    | 9,289   |
| Osgood, Nancy & William            |    | 12,622  |
| Paine, Susan W.                    |    | 20,663  |
| Paine, Victoria L. M.              |    | 9,783   |
| Parkman, George F.                 |    | 306,206 |
| Parsons, Susan                     |    | 22,081  |
| Paterson, Stanley & Carl Seaburg   |    | 39,573  |
| Pellegrino, Joseph                 |    | 14,597  |
| Perera, Guido R.                   |    | 15,155  |
| Peretz, Anne L.                    |    | 15,748  |
| Perry, Arthur & Emily              |    | 9,429   |
| Phillips, Bradley S.               |    | 13,113  |
| Pickman, Hester C.                 |    | 8,238   |
| Potts, Barbara B.                  |    | 5,324   |
| Pragnell, Walter L. & Ruth J.      |    | 9,294   |
| Proprietor's Book Fund             |    | 618,182 |
| Prouty, Roger W.                   |    | 57,850  |
| Reinhard Family                    |    | 24,663  |
| Richmond, Carlton                  |    | 16,610  |
| Righter, James V.                  |    | 16,538  |
| Robertson, Hannah Doane Carter     |    | 503,719 |
| Rosen, Fred S., M.D.               |    | 6,776   |
| Roy, Adelard A. & Valeda Lee       |    | 99,856  |
| Ruzicka, Tatiana                   |    | 9,819   |
| Sammarco, Anthony Mitchell         |    | 8,109   |
| Sargent, Daniel                    |    | 23,056  |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## *Book Endowment Funds*

*September 30, 2017*

|   |    |         |
|---|----|---------|
| Satterthwaite, James Sheafe & Margaret Howard Speer | \$ | 27,899  |
| Sears, Evelyn G.                                    |    | 21,928  |
| Segre, Emilio                                       |    | 5,440   |
| Serantes, Carmen & Alfonso                          |    | 12,245  |
| Severne, Homer A.                                   |    | 81,422  |
| Shapiro, Robert N.                                  |    | 28,749  |
| Shawmut Bank  |    | 8,994   |
| Shenton, Robert & Elizabeth                         |    | 18,870  |
| Sherwood, Robert S. & Arlene R.                     |    | 11,652  |
| Shibata, Masahiko                                   |    | 7,062   |
| Shields, Lawrence Thornton                          |    | 12,074  |
| Shields, Robert                                     |    | 6,366   |
| Shurcliff, Katherine B.                             |    | 27,625  |
| Slater, Alan  |    | 19,931  |
| Smith, Charles E.                                   |    | 12,409  |
| Smith, Stanley Webster                              |    | 15,232  |
| Snyder, Arthur F. F.                                |    | 7,271   |
| Stacey, Roger Foy                                   |    | 52,825  |
| Stearn, Samuel, Mildred & Marvin                    |    | 12,242  |
| Stephenson, Robert B.                               |    | 7,807   |
| Stewart, Reba                                       |    | 9,213   |
| Stone, Mary Lovell                                  |    | 24,591  |
| Sullivan, Thomas Russell                            |    | 5,516   |
| Swan, Marshall W. S.                                |    | 9,018   |
| Taft, Edward A.                                     |    | 45,481  |
| Taylor, Thomas Heyward                              |    | 18,137  |
| Terry, George F.                                    |    | 5,516   |
| Thayer, Ethel Randolph                              |    | 30,808  |
| Thoma, Henry F.                                     |    | 126,570 |
| Thompson, Zane Albion                               |    | 106,542 |
| Thomson, William Orville                            |    | 10,575  |
| Thoron, Gray  |    | 25,872  |
| Trubek, Elizabeth Throckmorton                      |    | 11,547  |
| Trumbull, Frank S.                                  |    | 6,019   |
| Tucker, Norman                                      |    | 6,506   |
| Tucker, Ruth  |    | 77,274  |
| Vaillant, Marion W.                                 |    | 25,297  |
| Vershow, Arthur & Charlotte                         |    | 254,562 |
| Vickery, Robert G.                                  |    | 29,539  |
| Vogel, Stanley M.                                   |    | 21,946  |
| Wakefield, Mary May Binney                          |    | 133,647 |
| Ward, Thomas Wren                                   |    | 22,081  |
| Webber, Vila B.                                     |    | 12,689  |
| Wellington, Martha Underwood                        |    | 131,344 |
| Wentworth, Michael Justin                           |    | 18,324  |

**PROPRIETORS OF THE BOSTON ATHENÆUM**

***Book Endowment Funds***

*September 30, 2017*

|                                   |           |                                 |
|-----------------------------------|-----------|---------------------------------|
| Whitehill, Walter Muir            | \$        | 29,363                          |
| Wick, Kathleen L. & Peter A.      |           | 22,266                          |
| Wiggin, John H.                   |           | 9,974                           |
| Wiggin, Kathleen I.               |           | 9,769                           |
| Williams, Alexander               |           | 435,765                         |
| Windsor, Elizabeth Foster         |           | 54,561                          |
| Winslow, Ola Elizabeth            |           | 22,115                          |
| Wirth, Jacob & Dorothy            |           | 36,819                          |
| Woolsey, John M.                  |           | 21,979                          |
| Wootton, Major John Graham        |           | 19,002                          |
| Wootton, Mary Louissetta B.       |           | 15,027                          |
| Yntema, Douwe B.                  |           | 267,229                         |
| Young Presidents Organization     |           | <u>11,589</u>                   |
| <b>Total book endowment funds</b> | <b>\$</b> | <b><u><u>19,631,278</u></u></b> |
| Funds classified as follows:      |           |                                 |
| Permanently restricted            | \$        | 12,802,347                      |
| Temporarily restricted            |           | 5,742,634                       |
| Unrestricted - Board-designated   |           | <u>1,086,297</u>                |
| <b>Total book endowment funds</b> | <b>\$</b> | <b><u><u>19,631,278</u></u></b> |

**PROPRIETORS OF THE BOSTON ATHENÆUM**

***Special Endowment Funds***

***September 30, 2017***

|  |  |           |
|--|--|-----------|
| Adams, Mitchell & Kevin Smith                            | Art acquisitions Bicentennial Fund                     | \$ 11,200 |
| Anonymous  | Chief Conservator                                      | 1,705,706 |
| Anonymous  | Children's Librarian                                   | 1,022,001 |
| Anonymous  | Materials related to Canada                            | 394,099   |
| Anonymous  | Programs & events                                      | 58,117    |
| Bain, Caroline D.  | Archivist  | 646,374   |
| Baylor, Ruth M.  | Events   | 30,441    |
| Beck, Emily  | Conservation Funds                                     | 8,963     |
| Berman, Ann E. & Samuel S. Spektor Jr.                   | Conservation Funds                                     | 32,509    |
| Berry, Joseph Breed                                      | Minor amenities  | 5,517     |
| Billings, Robert Charles                                 | Printing of books                                      | 34,259    |
| Bromer, Anne C. & David J.                               | Curator of rare books & manuscripts                    | 746,328   |
| Cabot Family Charitable Trust                            | Director's position                                    | 291,593   |
| Calderwood, Norma Jean                                   | Exhibition Gallery                                     | 647,922   |
| Calderwood, Stanford                                     | Director's position                                    | 2,891,049 |
| Chamberlain, Elsie                                       | Building   | 842,284   |
| Choate, Elizabeth C.                                     | Print acquisitions                                     | 11,374    |
| Cummings, Charles A.                                     | Books & photographs on architecture & allied arts      | 46,870    |
| Dana, Charles S.   | Flowers for Athenaeum desks & staff salaries           | 145,908   |
| Daye, Stephen  | Purchase & binding of early newspapers                 | 176,261   |
| Donaldson, Oliver S. & Jennie R.                         | Conservation & binding of books                        | 85,017    |
| Dumbaugh, Karin  | Materials on Boston Common, Public Garden & Comm. Ave. | 27,286    |
| Eaton, John Hubbard Sturgis                              | Lectures   | 194,109   |
| Emmet, Alan  | Book conservation                                      | 49,352    |
| Galvin, Ruth   | Publications   | 72,983    |
| Gardiner, Tudor  | Book conservation                                      | 27,549    |
| Good Samaritan   | Internships  | 243,943   |
| Gray, Russell  | Pension  | 24,178    |
| Hale, Martin & Deborah                                   | Conservation   | 113,561   |
| Halfyard, Robert   | Lecture  | 83,204    |
| Hall, Ariel W.   | Concerts   | 98,876    |
| Harder, Torrence C.                                      | Lectures & events                                      | 109,604   |
| Harris, Henry  | Use of Fine Arts Committee                             | 177,994   |
| Hayes, Bartlett Jr.                                      | Poster acquisitions                                    | 21,282    |
| Henry, Bayard  | Art conservation                                       | 9,527     |
| Henry, Bayard  | Performing arts  | 163,254   |
| Hilles, Susan Morse                                      | Art acquisitions                                       | 128,279   |
| Hilles, Susan Morse                                      | Curator of paintings & sculpture                       | 1,152,413 |
| Hilles, Susan Morse                                      | Fine arts acquisitions                                 | 831,184   |
| Hilles, Susan Morse                                      | Lectures & events                                      | 46,218    |
| Howe, Frances Hovey                                      | Print acquisitions                                     | 399,289   |
| Hunnewell, James   | Conservation   | 71,614    |
| Hunt, William Morris, II                                 | Photography acquisitions                               | 75,570    |
| Jewell, Harvey   | Staff pension  | 904,531   |
| Kelley, Donald C.  | Exhibition & events                                    | 82,092    |
| Kimball Staff Fund                                       | Assistance to Athenaeum employees                      | 10,424    |
| Klinck, Mary Elizabeth Knickerbocker deFreest            | Lectures   | 42,676    |
| Klinck, Mason J. O., Sr.                                 | Conservation lectures                                  | 42,676    |
| Lacy, Clive Q.   | Conservation   | 67,135    |
| Lamb, Rosamond, established in memory of Horatio A. Lamb | Conservation   | 209,573   |
| Lane, Arthur   | Materials related to maritime history                  | 147,757   |
| Loring, Caleb  | Fellowships  | 48,534    |
| Loring, Caleb  | Internships  | 28,336    |
| Lothrop, Eleanor & Francis B.                            | Book conservation                                      | 17,287    |
| Lovelace, Richard S.                                     | Conservation   | 16,339    |
| Mason, Charles E., Jr.                                   | Operation of Print Room, including purchases           | 111,542   |

**PROPRIETORS OF THE BOSTON ATHENÆUM**

***Special Endowment Funds***

*September 30, 2017*

|                                       |   |                             |
|---------------------------------------|---|-----------------------------|
| Mead, Agneta                          | Conservation                            | \$ 14,582                   |
| Mooney, Mary C. E.                    | Fellowships                             | 86,534                      |
| Morse, Elizabeth                      | Paper conservation                      | 7,410                       |
| Mudge, Mr. & Mrs. L. Taylor           | Fellowships                             | 109,656                     |
| National Endowment for the Humanities | Head of technical services & automation | 1,883,670                   |
| Newman, Robert B.                     | Conservation                            | 9,457                       |
| Nielsen, Gertrude B.                  | Art conservation                        | 9,492                       |
| Nordell, Joan                         | Education & community affairs           | 63,072                      |
| Oliver, Andrew                        | Events                                  | 138,785                     |
| Others                                | Art acquisitions                        | 46,550                      |
| Others                                | Art conservation                        | 4,208                       |
| Others                                | Art gallery                             | 90,326                      |
| Others                                | At the discretion of the director       | 59,862                      |
| Others                                | Book conservation - 21 C                | 22,348                      |
| Others                                | Children's Library outreach             | 11,061                      |
| Others                                | Conservation                            | 77,003                      |
| Others                                | Fellowships                             | 21,346                      |
| Others                                | Lectures & events                       | 98,994                      |
| Others                                | Print room 21 C                         | 1,448                       |
| Others                                | Publications                            | 46,415                      |
| Others                                | Staff pension                           | 304,427                     |
| Peterson, Marilyn L. R.               | Conservation                            | 13,435                      |
| Sammarco, Anthony M.                  | Print acquisitions                      | 9,559                       |
| Sears, Dr. Bernard R. & Edna M.       | Book conservation                       | 27,341                      |
| Severy, Alexander K.                  | Book conservation                       | 4,160                       |
| Severy, Robert P.                     | Art conservation                        | 7,306                       |
| Starr, Donald C.                      | Internships                             | 113,360                     |
| State Street Bank                     | Print acquisitions                      | 12,420                      |
| Steiner, W. H. C.                     | Print acquisitions                      | 36,103                      |
| Strong Family                         | Cataloging & conservation               | 29,529                      |
| Thomson, William Orville              | Lectures                                | 55,712                      |
| Wallace, Linda Clark                  | At the discretion of the director       | 5,506                       |
| Washington Library                    | George Washington Library collection    | 291,331                     |
| Weems, Katherine Lane                 | Print acquisitions                      | 291,059                     |
| West, Emily                           | Art conservation                        | 15,745                      |
| Wick, Kathleen                        | Conservation                            | 117,755                     |
| Wiles, Eleanor                        | Conservation                            | 47,829                      |
| Wyman, Ellen Mann                     | Print acquisitions                      | <u>8,361</u>                |
| <b>Total special endowment funds</b>  |   | <b>\$ <u>19,877,120</u></b> |
| Funds classified as follows:          |   |                             |
| Permanently restricted                |   | \$ 13,357,250               |
| Temporarily restricted                |   | 2,953,402                   |
| Unrestricted - Board-designated       |   | <u>3,566,468</u>            |
| <b>Total special endowment funds</b>  |   | <b>\$ <u>19,877,120</u></b> |

# PROPRIETORS OF THE BOSTON ATHENÆUM

## General Endowment Funds

September 30, 2017

|  |    |                          |
|--|----|--------------------------|
| Atkins, Robert E.                      | \$ | 179,049                  |
| Baldwin, George W.                     |    | 3,752                    |
| Bell, Helen Choate                     |    | 3,752                    |
| Boston Library Society Funds           |    | 883,927                  |
| Broderick, Dr. and Mrs. Francis P.     |    | 138,062                  |
| Bullard, M. R.                         |    | 410,345                  |
| Burdon-Muller, Roland                  |    | 2,989                    |
| Cabot, George                          |    | 84,679                   |
| Channing, Katherine M.                 |    | 3,752                    |
| Cruft, Francis Cordis                  |    | 16,615                   |
| Curtiss, Frederic                      |    | 16,615                   |
| Dustin, Florence                       |    | 350,814                  |
| Emmons, Elizabeth                      |    | 3,752                    |
| Everett, Edward Memorial               |    | 2,681                    |
| Fanning, Marshall                      |    | 10,714                   |
| Friedman, Lee M.                       |    | 77,441                   |
| Gannet, William W.                     |    | 20,086                   |
| General endowment                      |    | 2,054,511                |
| Gibbs, Jeannette P.                    |    | 171,701                  |
| Greer, Ina May                         |    | 213,015                  |
| Hacker, Barbara Lang & Howard W. Lang  |    | 2,393,274                |
| Hilles, Susan Morse                    |    | 1,676,897                |
| Howes, William Burley                  |    | 273,741                  |
| Jewell, Harvey Centennial Fund         |    | 1,196,970                |
| Lincoln, George                        |    | 252,427                  |
| Loring, Caleb                          |    | 541,019                  |
| Loring, Stanton                        |    | 97,383                   |
| Maltsberger, John T.                   |    | 100,000                  |
| McIntyre, Helen Horner                 |    | 1,057,162                |
| Mead, Charles                          |    | 170,135                  |
| Metcalf, Elinor Gregory                |    | 77,923                   |
| Mooney, Mary C. E.                     |    | 199,198                  |
| Paine, Richard C.                      |    | 234,865                  |
| Peterson, Marilyn R.                   |    | 644,928                  |
| Sargent, Daniel                        |    | 84,679                   |
| Sibley, Henry Clark                    |    | 34,247                   |
| Smith, Eleanor Frothingham             |    | 46,641                   |
| Sullivan, Thomas Russell               |    | 3,735                    |
| Stange, Alida                          |    | 221,289                  |
| Thacher, Josephine                     |    | 132,082                  |
| Thomas, Augusta                        |    | 653,187                  |
| Twenty-First Century Club              |    | 2,161,937                |
| Washington Paintings Fund              |    | 7,049,051                |
| Weems, Katharine Lane                  |    | 427,043                  |
| Other Board-designated endowment funds |    | <u>25,840,340</u>        |
|  | \$ | <u><b>50,218,405</b></u> |
| Funds classified as follows:           |    |                          |
| Permanently restricted                 | \$ | 3,750,417                |
| Temporarily restricted                 |    | 2,293,401                |
| Unrestricted - Board-designated        |    | <u>44,174,587</u>        |
| <b>Total general endowment funds</b>   | \$ | <u><b>50,218,405</b></u> |