

# **San Francisco Symphony**

Financial Statements and Report of Independent Certified Public Accountants

August 31, 2023 and 2022

## TABLE OF CONTENTS

	<u>Page No.</u>
Report of Independent Certified Public Accountants	1 - 2
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to Financial Statements	6 - 38
Supplementary Information:	
Schedule of Changes in Endowment Net Assets	40-42

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

Audit Committee of the Board of Governors  
San Francisco Symphony

**Opinion**

We have audited the financial statements of the San Francisco Symphony (a California nonprofit corporation) (the "SFS"), which comprise the statements of financial position as of August 31, 2023 and 2022, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of SFS as of August 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for opinion**

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

**Responsibilities of management for the financial statements**

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

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

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

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

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

#### **Supplementary information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Changes in Endowment Net Assets for the year ended August 31, 2023 on pages 40 - 42, is presented for purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures. These additional procedures included comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with US GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Grant Thornton LLP*

San Francisco, California  
February 26, 2024

**SAN FRANCISCO SYMPHONY**  
**Statements of Financial Position**  
**August 31, 2023 and 2022**  
(in thousands)

	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
Cash	\$ 8,487	\$ 8,159
Short-term investments	454	430
Promises to give, net	5,131	5,219
Receivables under charitable remainder trusts	2,199	2,138
Prepays and other assets	18,908	15,555
Investments	331,199	323,454
Assets held in split interest agreements	4,389	4,950
Right-of-use assets	49	-
Property and equipment, net	14,300	14,492
Net pension benefit assets	12,128	2,339
	\$ 397,244	\$ 376,736
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable and other accrued liabilities	\$ 9,516	\$ 7,202
Bank lines of credit	-	-
Advance ticket sales	9,730	8,913
Lease liabilities	49	-
Liabilities to beneficiaries of split interest agreements	2,298	2,631
Pension benefit liabilities	-	231
Total liabilities	21,593	18,977
<b>Net assets</b>		
Without donor restrictions:		
Accumulated operating net assets	29,035	15,206
Board-designated endowment	18,363	17,967
Total without donor restrictions	47,398	33,173
With donor restrictions	328,253	324,586
Total net assets	375,651	357,759
Total liabilities and net assets	\$ 397,244	\$ 376,736

The accompanying notes are an integral part of these financial statements.

**SAN FRANCISCO SYMPHONY**  
**Statements of Activities**  
For the Years Ended August 31, 2023 and 2022  
(in thousands)

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>						
Contributions:						
Financial assets	\$ 28,421	\$ 13,108	\$ 41,529	\$ 15,353	\$ 19,041	\$ 34,394
Nonfinancial assets	616	-	616	597	13	610
Concert and related revenues	26,081	-	26,081	22,674	-	22,674
Donated tickets	28	-	28	1,014	-	1,014
Investment income and net gains (losses)	1,203	18,433	19,636	(2,030)	(40,090)	(42,120)
Retail and media	401	-	401	239	-	239
Other	1,125	-	1,125	1,402	-	1,402
Total revenues	<u>57,875</u>	<u>31,541</u>	<u>89,416</u>	<u>39,249</u>	<u>(21,036)</u>	<u>18,213</u>
Net assets released from restriction	12,670	(12,670)	-	3,458	(3,458)	-
Endowment earnings appropriated	15,204	(15,204)	-	15,139	(15,139)	-
Total net assets released	<u>27,874</u>	<u>(27,874)</u>	<u>-</u>	<u>18,597</u>	<u>(18,597)</u>	<u>-</u>
Total revenues and releases	85,749	3,667	89,416	57,846	(39,633)	18,213
<b>EXPENSES</b>						
Personnel	51,094	-	51,094	49,073	-	49,073
Guest conductors and artists	5,499	-	5,499	4,571	-	4,571
Professional fees	10,174	-	10,174	7,899	-	7,899
Purchased services	6,059	-	6,059	3,098	-	3,098
Travel and accommodations	1,240	-	1,240	330	-	330
Facilities	1,361	-	1,361	1,405	-	1,405
Supplies	870	-	870	1,236	-	1,236
Insurance	499	-	499	413	-	413
Taxes	247	-	247	136	-	136
Other	5,521	-	5,521	5,306	-	5,306
Depreciation and amortization	615	-	615	1,284	-	1,284
Total expenses	<u>83,179</u>	<u>-</u>	<u>83,179</u>	<u>74,751</u>	<u>-</u>	<u>74,751</u>
Change in net assets from operations	2,570	3,667	6,237	(16,905)	(39,633)	(56,538)
Other income:						
Employee Retention Tax Credits	-	-	-	1,852	-	1,852
Increase in pension benefit assets	11,655	-	11,655	13,143	-	13,143
Change in net assets	<u>14,225</u>	<u>3,667</u>	<u>17,892</u>	<u>(1,910)</u>	<u>(39,633)</u>	<u>(41,543)</u>
Net assets, beginning of year	33,173	324,586	357,759	35,083	364,219	399,302
Net assets, end of year	<u>\$ 47,398</u>	<u>\$ 328,253</u>	<u>\$ 375,651</u>	<u>\$ 33,173</u>	<u>\$ 324,586</u>	<u>\$ 357,759</u>

The accompanying notes are an integral part of these financial statements.

**SAN FRANCISCO SYMPHONY**  
**Statements of Cash Flows**  
**For the Years Ended August 31, 2023 and 2022**  
(in thousands)

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Change in net assets	\$ 17,892	\$ (41,543)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation and amortization	615	1,284
Loss on disposal of fixed assets	4	-
Allowance for doubtful accounts	270	311
Obsolete inventory	26	176
Net unrealized and realized gains/losses on investments	(18,925)	41,217
Donated assets	-	(3)
Contributions to net assets with permanent restrictions	(3,806)	(12,007)
Change in pension benefit liabilities	(10,020)	(11,335)
Change in operating assets and liabilities		
Promises to give, net	(478)	5,500
Assets held in split interest agreements	561	883
Prepays and other assets	(3,386)	(835)
Accounts payable and other accrued liabilities	2,315	(2,158)
Advance ticket sales	817	815
Liabilities to beneficiaries of split interest agreements	(333)	(500)
Net cash used in operating activities	<u>(14,448)</u>	<u>(18,195)</u>
Cash flows from investing activities		
Proceeds from sales of investments	198,369	393,030
Purchases of investments	(187,189)	(401,510)
Proceeds from sales / purchases of short-term investments	(23)	(102)
Acquisitions of property and equipment	(421)	(705)
Net cash provided by (used in) investing activities	<u>10,736</u>	<u>(9,287)</u>
Cash flows from financing activities		
Receipt of contributions to net assets with donor restrictions	4,040	13,131
Proceeds from borrowings on line of credit	7,500	-
Repayment on borrowings on line of credit	(7,500)	-
Net cash provided by financing activities	<u>4,040</u>	<u>13,131</u>
Net change in cash	328	(14,351)
Cash, beginning of year	8,159	22,510
Cash, end of year	<u>\$ 8,487</u>	<u>\$ 8,159</u>
Cash consisted of the following:		
Cash and cash equivalents	7,095	7,337
Restricted cash	1,392	822
Total	<u>\$ 8,487</u>	<u>\$ 8,159</u>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid - interest	\$ 247	\$ 5
Right-of-use assets obtained in exchange for lease liabilities	86	-

The accompanying notes are an integral part of these financial statements.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

**1. ORGANIZATION**

Founded in 1911, the San Francisco Symphony (“SFS”) presents more than 220 concerts and presentations annually for an audience of nearly 450,000 in its home at Davies Symphony Hall and through its national and international touring. A cornerstone of the organization's mission, the SFS's education programs are the most extensive offered by any American orchestra today, providing free music education to every first- through fifth-grade student in the San Francisco public schools, and serving more than 75,000 children, students, educators, and families annually. The SFS radio broadcasts, the first in the nation to feature symphonic music when they began in 1926, today carry the SFS's concerts across the country. In 2004, the SFS launched the multimedia Keeping Score on PBS-TV and online and in 2014, the SFS inaugurated SoundBox, an experimental performance venue and music series located backstage at Davies Symphony Hall.

The mission of the SFS is to inspire and serve audiences and communities throughout the Bay Area and the world through the power of musical performance. The SFS strives to be a leader and catalyst for reimagining how people everywhere engage with orchestral music in deep and meaningful ways.

**2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the SFS are prepared on the accrual basis. The financial information conforms to the statements of accounting principles of the Financial Accounting Standards Board (“FASB”).

**Significant Accounting Policies**

**Cash** - Cash consists of demand deposits and includes restricted cash amounts of \$1,392 and \$822 as of August 31, 2023 and 2022, respectively. Restricted cash balances represent funds collected by the SFS for hall improvements at Davies Symphony Hall and are subject to approval by the City of San Francisco for use.

**Short-Term Investments** - Short-term investments are primarily money market funds with underlying securities maturing in less than 90 days.

**Promises to Give** - Promises to give are recorded when deemed unconditional. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using the risk-free rates adjusted for potential credit risk applicable in the years in which those promises are received. Amortization of the discounts is included in gifts, grants, and bequests revenue.



**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

Conditional promises to give are not recorded as revenue until the conditions have been substantially met. Transfers of assets with a conditional promise to contribute are accounted for as a refundable advance and are included in accounts payable and other accrued liabilities until the conditions have been substantially met or have been explicitly waived by the donor. As of August 31, 2023 and 2022, there are no conditional promises outstanding.

The SFS continually monitors donors' credit worthiness and recognizes allowances for estimated bad debts on donor accounts that are no longer estimated to be collectible.

**Receivables Under Charitable Remainder Trusts** - Assets contributed by donors under charitable remainder trust agreements and controlled by third parties are recognized at the present value of the estimated future distributions to be received by the SFS over the term of the agreements. The SFS is a named beneficiary in nine charitable remainder trusts. One of the nine trusts is a perpetual trust where the SFS has an irrevocable right to receive specified yearly distributions over the life of the trust but is not a named beneficiary upon termination of the trust. The eight other trusts provide the SFS with beneficial interests to be received upon termination of the trusts. The SFS's beneficial interest in these trusts has been valued at estimated fair value based on the discounted present value of future cash flows at risk-adjusted rates ranging from 6.6% to 8.3%. Two trusts represented 90% and 89% of the total value of these receivables at August 31, 2023 and 2022, respectively.

**Prepays and Other Assets** - Prepaid assets consist primarily of prepaid marketing and special event expenses. Such amounts are deferred and recorded as expense in the period benefitted. Other assets include loans to employees, Employer Retention Tax Credit receivable, other general receivables, and inventory. As of August 31, 2023 and 2022, \$2,772 and \$2,828, respectively, of employee loans are outstanding.

**Investments and Fair Value Measurements** – Investments represent a diversified portfolio of public and private domestic and international equity securities, fixed income securities, and alternative investments in private equity, venture capital, real estate, and hedge funds. Investments are reported at fair value. The values of publicly traded fixed income and equity securities are based on quoted market prices. Fair values for shares in mutual funds are based on share prices reported by the funds as of the last business day of the fiscal year. Nonmarketable securities, which include investments in hedge funds, venture capital funds, and real estate funds or limited partnerships, are valued using net asset value ("NAV"), or its equivalent, provided by fund managers as a practical expedient to estimate fair value, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. These non-marketable investments often require the estimation of fair values by the fund managers in the absence of readily determinable market values. As of August 31, 2023, and 2022, the SFS had no specific plans or intentions to sell investments at amounts different than NAV. Because of the inherent uncertainty of valuing these investments, the SFS's estimate of fair value may differ significantly from the values that would have been used had a ready market for the investments existed.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels of inputs:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The investments reported at NAV as a practical expedient are not required to be categorized in the fair value hierarchy.

Dividend and interest income are accrued when earned. Net realized and unrealized gains (losses) are included in investment income and net gains (losses) in the statements of activities. Investment income and net gains are reported net of custodial and investment advisory fees of \$981 and \$1,206 for the years ended August 31, 2023 and 2022, respectively.

**Assets Held in Split Interest Agreements** - Charitable remainder trusts and gift annuities are irrevocable trusts under the administration of the SFS, as trustee, where the SFS is an irrevocable remainderman. These assets represent the assets held in split interest agreements and are recognized at fair value upon execution. Liabilities associated are recorded at the present value of the expected payments to the beneficiaries using a rate that is reflective of investment returns consistent with the composition of the investment portfolio, life expectancies from certain mortality tables for the years ended August 31, 2023 and 2022, and a discount rate of 4.75%. Changes in the fair market value as a result of earnings, net of beneficiary distributions, are recognized as investment income with donor restrictions in the accompanying statements of activities. As of August 31, 2023 and 2022, \$2,835 and \$3,010, respectively, of the assets were gift annuities and \$1,554 and \$1,940, respectively, were charitable remainder trusts.

**Leases** – Leases are included in right-of-use (“ROU”) assets and lease liabilities in the statements of financial position. ROU assets and lease liabilities reflect the present value of future minimum lease payments over the term of the lease. Operating lease expense is recognized on a straight-line basis over the term of the lease. The SFS does not report ROU assets or lease liabilities for leases with a term of 12 months or less or leases that do not have an end date. Instead, the lease payments are recorded as rental expense in the period incurred. Lease terms may include options to extend the lease, and the SFS includes the option that is most likely to occur in its reported ROU and lease liability amounts.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

**Property and Equipment** - Such assets consist of musical instruments, leasehold improvements, furniture, equipment, and software. Assets in excess of \$5 are capitalized and recorded at cost, net of accumulated depreciation and amortization. Depreciation and amortization are computed on the straight-line method over the estimated useful lives of the assets which range from three to thirty years. Musical instruments are not depreciated as their estimated useful lives are extraordinarily long and these assets are expected to maintain their value. Contributed equipment is recorded at fair value at the date of donation. The carrying amount of all long-lived assets is evaluated periodically to determine if reductions to the carrying amount or adjustments to the useful lives of the undepreciated balances are warranted. No indicators of asset impairment were found as of August 31, 2023 and 2022.

**Net Assets** - Net assets are categorized as (1) without donor restrictions and (2) with donor restrictions.

*Net assets without donor restrictions* are derived from gifts and other resources that are not subject to explicit donor-imposed restrictions. This category also includes income and gains on these funds. Certain net assets classified as without donor restrictions for external reporting purposes are board-designated for support of the SFS's operations.

*Net assets with donor restrictions* are generally established by donors in support of specific purposes such as youth orchestra, education, real estate investments, orchestra and artist compensation, and other specific purposes. This category includes gifts (including those held in perpetuity in the endowment), pledges, trusts and remainder interests, and income and gains that can be expended but for which restrictions have not yet been met. Such restrictions include purpose restrictions and time restrictions imposed by donors or implied by the nature of the gift, or by the interpretations of law. Donor restrictions are normally released upon the passage of time and/or the incurrence of expenditures that fulfill the donor-specified purpose.

Endowment fund appreciation, gains, and income exceeding donor restrictions are classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the SFS's Board of Governors (the "Board"). Upon appropriation, appreciation and earnings are reclassified as net assets without donor restrictions.

**Advance Ticket Sales** - Advance ticket sales represent concert revenues received in advance of the period the related concerts will be performed. Such amounts are deferred and recognized as revenue in the period the performance takes place.

**Revenue Recognition** – Concert and related revenues are recognized upon the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Accordingly, five basic criteria must be met before revenue can be recognized: 1) identification of the contract with the customer; 2) identification of the performance obligations in the contract; 3) determination of the transaction price; 4) allocation of the transaction price to the performance obligation in the contract; and 5) recognition of revenue when, or as, the SFS satisfied a performance obligation.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

Gifts, grants, and bequests are recognized as revenue when received or unconditionally promised. The SFS reports gifts of cash and other assets as restricted support if such gifts are received with donor restrictions that limit for what purpose or when the donated assets can be used. When a donor restriction is met, such net assets are reclassified to net assets without donor restrictions and reported as net assets released from restrictions.

**Donated Tickets** – The SFS received in-kind contributions of tickets related to canceled concerts of \$28 and \$1,014 for the years ended August 31, 2023 and 2022, respectively, which were recorded at fair value at the date of contribution.

**Contributed Nonfinancial Assets** - Recognition of contributed services require that such services must a) create or enhance non-financial assets, b) require specialized skills, c) be performed by individuals possessing those skills, and d) typically need to be acquired if not provided by donation. Donated services are recorded at their estimated fair values at the dates of donation and are reported as unrestricted income unless the donor has restricted the services to a specific purpose. For the years ended August 31, 2023 and 2022, \$429 and \$478, respectively, of legal and consulting contributed services were recognized as income. Additionally, the SFS receives numerous additional hours of donated services from volunteers in various capacities which are not reflected in the accompanying financial statements as the criteria for recognition are not met.

The SFS also received in-kind contributions of food, beverages related to its fundraising events and musical instruments for the youth orchestra. For the years ended August 31, 2023 and 2022, the SFS received \$187 and \$132, respectively, of contributed goods that were recorded at fair value at the date of donation.

For the years ended August 31, contributed nonfinancial assets recognized within the statements of activities included:

	<b>2023</b>	<b>2022</b>
Legal services	\$ 423	\$ 474
Other professional services	6	4
Food and beverage	187	129
Musical instruments	-	3
Total	\$ 616	\$ 610

The SFS recognized contributed nonfinancial assets within revenue, including contributed legal services, consulting, food and beverage, and instruments for the youth orchestra. None of these assets had donor-imposed restrictions.

The fair market value of contributed goods is generally the price for which the asset would sell on the open market on the day of the donation. The SFS determines the fair value by using comparable services and products.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

**Employee Retention Tax Credit** - The Employee Retention Tax Credit ("ERTC"), a credit against certain payroll taxes allowed to an eligible employer for qualifying wages, was established by the CARES Act and further amended by the Consolidated Appropriations Act and the American Rescue Plan. ERTC acts as fully refundable credits against the employer portion of Social Security taxes based on the amount of qualified wages that an eligible employer has incurred. The maximum credit is based on a qualified-wages ceiling for each employee. The SFS recorded its ERTC funding pursuant to Accounting Standards Codification (ASC) 958-605, *Grants and Contributions*, as a conditional contribution. As of August 31, 2023 and 2022, the SFS has not yet collected all of these amounts due which amounted to \$5,968 and \$6,046, respectively, and are, therefore, reported as prepaids and other assets on the accompanying statements of financial position.

**Reclassifications** – Certain prior year balances have been reclassified to conform to the current year presentation.

**Income Tax Status** - The SFS is a nonprofit organization pursuant to Internal Revenue Code Section 501(c)(3) and the state of California equivalent legislation and, accordingly, is exempt from federal and state income taxes on income related to its tax-exempt purpose.

The SFS evaluated its current tax positions and concluded that as of August 31, 2023 and 2022, the SFS does not have any significant uncertain tax positions for which a reserve would be necessary. For state tax purposes, the SFS is generally no longer subject to tax examinations for years prior to 2019. For federal tax purposes, the SFS is no longer subject to tax examinations for years prior to 2020.

**Use of Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Concentrations** - Financial instruments which potentially subject the SFS to credit risk consist primarily of cash, marketable securities, and investments. The SFS maintains cash, marketable securities, and investments with various major financial institutions. At times, such amounts may exceed Federal Deposit Insurance Corporation limits. The SFS manages credit risk by establishing minimum credit standards for financial institutions and limiting the amount of credit exposure with any one institution. The SFS closely monitors its investments and has not experienced any credit losses.

**Collective Bargaining Agreements** - As of August 31, 2023, approximately 81% of the SFS's employees were covered by collective bargaining agreements. The collective bargaining agreement with the American Guild of Musical Artists covering San Francisco chorus members expires July 31, 2024. The Theatrical Employees Union, Local B18, of the International Alliance of Theatrical Stage Employees, Moving Picture Machine Operators of the United States and Canada, covering ticket service employees and ushers, expires on May 31, 2027, and the collective

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

bargaining agreement with the Local 6, American Federation of Musicians covering the SFS musicians expired on November 26, 2022. The collective bargaining agreement with the International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States and Canada, Local 16, covering stage employees, and Local 784, covering wardrobe employees, expires on October 31, 2024 and December 31, 2024, respectively. As a result of the COVID-19 global pandemic and the SFS's city-imposed restriction on live performances, the SFS renegotiated some of its collective bargaining agreements whereby compensation was reduced during the remaining period of existing respective agreements.

**New Accounting Pronouncements**

The SFS adopted Accounting Standards Update (ASU) No. 2016-02, *Leases*, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The SFS elected not to restate the comparative period. The SFS also elected not to reassess at adoption a) expired or existing contracts to determine whether they are or contain a lease, b) the lease classification of any existing leases, or c) initial direct costs for existing leases. As a result of implementing ASU No. 2016-02, the SFS recognized right-of-use assets of \$87 and lease liabilities totaling \$87 in its statement of financial position as of September 1, 2022. The adoption did not result in any impact on net assets at September 1, 2022 or a significant effect on amounts reported in the statement of activities for the year ended August 31, 2023.

**3. LIQUIDITY AND AVAILABLE RESOURCES**

The SFS's financial assets and resources available to meet cash needs for general expenditures within one year of the date of the statements of financial position are as follows:

	<u>2023</u>	<u>2022</u>
Financial assets:		
Cash (net of restricted cash \$1,392 and \$822)	\$ 7,095	\$ 7,337
Short-term investments	454	430
Employee Retention Tax Credit (included as prepaids and other assets)	5,968	6,046
Promises to give - without donor restrictions (within one year)	1,820	1,599
Investments - without donor restrictions	<u>18,363</u>	<u>17,943</u>
Total financial assets available within one year	33,700	33,355
Liquidity resources:		
Bank line of credit (undrawn)	15,000	8,000
Total financial assets and resources available within one year	<u>\$ 48,700</u>	<u>\$ 41,355</u>

As part of its liquidity management, the SFS structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The SFS invests cash in excess of daily requirements in short-term investments. To help manage liquidity needs that arise primarily as a result of receipts timing, the SFS has a \$15 million line of credit available to draw upon on a daily basis.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

For financial reporting purposes, donor-restricted endowment fund appreciation, gains, and income exceeding donor restrictions are classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the SFS Board of Governors in a manner consistent with the standard of prudence prescribed by law. Upon appropriation, appreciation and earnings are reclassified as net assets without donor restrictions. The tabular amounts above exclude the portion of the SFS endowment with donor restrictions that relates to endowment fund appreciation, gains, and income that have not yet been appropriated for expenditure which totals \$46,575 and \$45,833 at August 31, 2023 and 2022, respectively.

**4. PROMISES TO GIVE**

Promises to give consist of the following:

	<u>2023</u>	<u>2022</u>
Receivable in:		
Less than one year	\$ 2,615	\$ 2,840
One to five years	211	311
More than five years	3,745	3,643
Total	<u>6,571</u>	<u>6,794</u>
Discount	(1,179)	(1,220)
Less allowance for uncollectible pledges	(261)	(355)
Total	<u>\$ 5,131</u>	<u>\$ 5,219</u>

Included in promises to give as of August 31, 2023 and 2022 are \$4,317 and \$4,504, respectively, from two donors.

**SAN FRANCISCO SYMPHONY**  
**Notes to Financial Statements**  
**August 31, 2023 and 2022**  
(in thousands)

**5. FAIR VALUE MEASUREMENTS**

The following table sets forth, by level within the fair value hierarchy, the SFS's assets and liabilities at fair value as of August 31, 2023 and 2022:

<u>2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>NAV</u>	<u>Total</u>
Cash and short-term investments	\$ 8,941				\$ 8,941
Receivables under charitable remainder trusts			\$ 2,199		\$ 2,199
Investments:					
Cash and cash equivalents for reinvestment	\$ 3,662	\$ -	\$ -	\$ -	\$ 3,662
Fixed income					
Total return	32,439	-	-	12,903	45,342
Equity					
Domestic equity	30,568	-	-	15,015	45,583
International equity	15,277	-	-	3,484	18,761
Global equity	11,554	-	-	81,487	93,041
Emerging equity	-	-	-	4,106	4,106
Absolute Return					
Multistrategy	-	-	-	26,396	26,396
Hedged equities	-	-	-	38,970	38,970
Private equity					
Buyout	-	-	-	24,737	24,737
Venture	-	-	-	3,781	3,781
Special situations	-	-	-	1,050	1,050
Private debt					
Direct lending	-	-	-	6,284	6,284
Real estate					
Core	-	-	4,072	3,691	7,763
Opportunistic	-	-	-	8,830	8,830
Value added	-	-	-	2,893	2,893
Total investments	<u>\$ 93,500</u>	<u>\$ -</u>	<u>\$ 4,072</u>	<u>\$ 233,627</u>	<u>\$ 331,199</u>
Assets held in split interest agreements	\$ 4,389				\$ 4,389
Liabilities to beneficiaries of split interest agreements	\$ 2,298				\$ 2,298



**SAN FRANCISCO SYMPHONY**  
**Notes to Financial Statements**  
**August 31, 2023 and 2022**  
(in thousands)

<b>2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>NAV</b>	<b>Total</b>
Cash and short-term investments	<u>\$ 8,589</u>				<u>\$ 8,589</u>
Receivables under charitable remainder trusts			<u>\$ 2,138</u>		<u>\$ 2,138</u>
Investments:					
Cash and cash equivalents for reinvestment	\$ 13,146	\$ -	\$ -	\$ -	\$ 13,146
Fixed income					
Total return	23,768	-	-	12,464	36,232
Floating rate high income	7,265	-	-	-	7,265
Equity					
Domestic equity	35,621	-	-	14,641	50,262
International equity	11,512	-	-	11,878	23,390
Global equity	-	-	-	65,162	65,162
Master limited partnership	-	-	-	-	-
Emerging equity	-	-	-	9,721	9,721
Preferred stock	-	-	-	-	-
Absolute Return					
Multistrategy	-	-	-	28,017	28,017
Hedge fund of funds	-	-	-	-	-
Private equity					
Buyout	-	-	-	24,616	24,616
Direct	-	-	-	-	-
Venture	-	-	-	3,824	3,824
Special situations	-	-	-	1,413	1,413
Real estate					
Core	3,841	-	4,763	1,253	9,857
Opportunistic	-	-	-	8,399	8,399
Value added	-	-	-	3,974	3,974
Total investments	<u>\$ 95,153</u>	<u>\$ -</u>	<u>\$ 4,763</u>	<u>\$ 223,538</u>	<u>\$ 323,454</u>
Assets held in split interest agreements	<u>\$ 4,950</u>				<u>\$ 4,950</u>
Liabilities to beneficiaries of split interest agreements	<u>\$ 2,631</u>				<u>\$ 2,631</u>

\*Certain investments that are measured at fair value using the NAV (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to illustrate the reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

**SAN FRANCISCO SYMPHONY**  
**Notes to Financial Statements**  
**August 31, 2023 and 2022**  
(in thousands)

In accordance with ASU No. 2009-12, *Fair Value Measurements and Disclosures*, disclosures regarding the category, fair value, unfunded commitments, redemption, frequency, and redemption notice period for those assets whose fair value is estimated using NAV per share as of August 31, 2023 and 2022, are summarized as follows:

Category/Objective	Fair Value Determined Using NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<b>2023</b>				
Absolute return/hedged equities	\$ 38,970	\$ -	Monthly/quarterly	45-60 days
Absolute return/multistrategy	26,396	-	Monthly/quarterly	30-90 days
Domestic equity	15,015	-	Quarterly/annually	60-90 days
Global equity	81,487	-	Monthly/quarterly/annually	8-92 days
Emerging equity	4,106	-	Monthly	31 days
International equity	3,484	-	Quarterly	30 days
Fixed income/total return	12,903	-	Quarterly	60 days
Private debt/direct lending	6,284	2,829	N/A	N/A
Private equity/buyout	24,737	12,384	N/A	N/A
Private equity/venture	3,781	2,127	N/A	N/A
Private equity/special situations	1,050	-	N/A	N/A
Real estate/core	3,691	-	N/A	N/A
Real estate/opportunistic	8,830	8,281	N/A	N/A
Real estate/value added	2,893	1,638	N/A	N/A
<b>Total</b>	<b>\$ 233,627</b>	<b>\$ 27,259</b>		

**SAN FRANCISCO SYMPHONY**  
**Notes to Financial Statements**  
**August 31, 2023 and 2022**  
(in thousands)

Category/Objective	Fair Value Determined Using NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<b>2022</b>				
Absolute return/hedged equities	\$ 38,176	\$ -	Monthly/quarterly	45-60 days
Absolute return/multistrategy	28,017	-	Monthly/quarterly	30-90 days
Domestic equity	14,641	-	Quarterly/annually	60-90 days
Global equity	65,162	-	Monthly/quarterly/annually	30-65 days
Emerging equity	9,721	-	Monthly	45 days
International equity	11,878	-	Quarterly	30 days
Fixed income/total return	12,464	-	Quarterly	60 days
Private equity/buyout	24,616	3,286	N/A	N/A
Private equity/venture	2,824	318	N/A	N/A
Private equity/special situations	1,413	-	N/A	N/A
Real estate/core	1,253	-	N/A	N/A
Real estate/opportunistic	8,399	3,020	N/A	N/A
Real estate/value added	3,974	1,409	N/A	N/A
<b>Total</b>	<b>\$ 222,538</b>	<b>\$ 8,033</b>		

**Absolute Return/Hedged Equities** – These investments are focused on generating absolute return over a five-to-seven-year period. Most of these funds use a master-feeder structure, where the feeder funds employ the same objectives as the master fund. Investments are in securities, both debt and equity, long and short, with an emphasis on capital preservation and appreciation.

**Absolute Return/Multistrategy** – These investments are focused on generating absolute return by allocating assets among various internal and external portfolio managers that employ various strategies. The objective is to achieve consistent returns, independent of stock market movements, by investing in equities and other special situations.

**Domestic Equity** – These investments are focused on small-cap public companies in regional markets. The portfolio is diversified across core positions with a significant percentage of the exposure related to mergers and acquisitions.

**Global Equity** – These investments are focused on generating absolute and net equity returns over a multi-year cycle, accepting moderate near-term volatility as a mechanism to achieve long-term results. Several of these funds use a master-feeder structure, where the feeder funds employ the same objectives as the master fund. Investments are in long and short global equity securities and debt (and their derivatives).

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

Emerging Equity – These investments are focused on achieving returns across market cycles, with a strong emphasis on capital preservation. The funds seek to invest primarily in equity securities, exchange-traded funds, fixed income securities, futures, and currencies.

International Equity – This investment is focused on generating long-term growth through equity investments across a broad range of European industry sectors and countries.

Fixed Income/Total Return – These investments are focused on generating positive absolute returns by investing capital in a portfolio of mortgage-backed securities, equity securities, derivatives, and other investments. These funds are managed without duration constraints.

Private debt/direct lending – These investments are focused on directly originated senior loans and stressed loans in both the public and private markets.

Private Equity/Buyout – These investments are focused on privately negotiated transactions, generally sourced on a co-investment basis with certain private equity partnerships in companies whose principal operations are in North America.

Private Equity/Venture – This investment is focused primarily on venture capital and growth equity. The fund is expected to continue through August, 2026, subject to extension for up to three successive one-year periods.

Private Equity/Special Situations – This investment is focused on selected distressed debt investments, with a goal of achieving rates of return superior to other traditional investments. The portfolio consists of partnership or other commingled investment funds and managed accounts under separate investment advisory agreements with portfolio managers that invest in high-yield securities, public and private debt, bank loans, trade claims, equity, and other distressed obligations.

Real Estate/Core – This investment is focused on investing in real estate assets through option agreements with homeowners in which the homeowners grant the investment partnership the right to participate in future appreciation of the property in exchange for an option payment made to the homeowner by the partnership. These investment activities are intended to assist educators and other non-profit employees in purchasing a home.

Real Estate/Opportunistic – These investments are focused on making debt and equity investments in real estate and real estate-related securities and businesses.

Real Estate/Value-Added – These investments are focused on current income and capital appreciation primarily through investments in value-added real estate assets and performing and non-performing mortgages. The primary investment is in a limited partnership with an eight-year term, ending in February 2026.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

**6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

The SFS rents office equipment under various operating leases. The SFS evaluated current lease commitments to determine whether any met the criteria of a lease. The ROU assets represent the SFS's right to use the underlying assets for the term of the lease, and the lease liabilities represent its obligation to make lease payments for those leased assets. The ROU assets and lease liabilities, all of which result from operating leases, were calculated based on the present value of future lease payments over the terms of the leases. For the present value calculation, the SFS used the weighted average borrowing rate for the year ended August 31, 2023.

These operating leases consist of two printer/copiers and one mailing machine. For the year ended August 31, 2023, the total operating costs for these leases was \$41 which also represents the amount of cash paid. The remaining lease terms of the leases range from seven months to four years.

For the years ending August 31, future maturities of lease liabilities are presented in the table below:

	Copier #1	Copier #2	Mail Machine	Total
2024	\$ 19	\$ 3	\$ 8	\$ 30
2025	-	-	8	8
2026	-	-	8	8
2027	-	-	7	7
Total lease payments	<u>19</u>	<u>3</u>	<u>31</u>	<u>53</u>
Less: present value discount	(1)	(1)	(2)	(4)
Total lease obligations	<u><u>18</u></u>	<u><u>2</u></u>	<u><u>29</u></u>	<u><u>49</u></u>
ROU assets	18	2	29	49
Weighted average remaining lease term:				2.5 years
Weighted average discount rate:				4.69%

The SFS leases performance space and administrative office at Davies Symphony Hall from the War Memorial. Under the terms of the War Memorial Trust Agreement, the SFS receives first preferential right to the use of the concert hall for 12 months of the year for its annual series of concerts. There is no end date to the lease, and therefore, a ROU asset or lease liability cannot be determined. Therefore, payments for performance spaces and the administrative offices are included in rent expense

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

Total rent expense totaled \$2,149 and \$1,992 for the years ended August 31, 2023 and 2022, respectively.

**7. PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at August 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Musical instruments	\$ 12,000	\$ 11,978
Computer equipment and software	2,949	3,544
Furniture and office equipment	5,130	5,136
Work in progress	362	59
Total property and equipment	<u>20,441</u>	<u>20,717</u>
Less: accumulated depreciation	<u>(6,141)</u>	<u>(6,225)</u>
Total	<u>\$ 14,300</u>	<u>\$ 14,492</u>

Depreciation expense for the years ended August 31, 2023 and 2022, are \$608 and \$766, respectively.

**8. BANK LINES OF CREDIT**

On March 20, 2020, the SFS obtained an \$8 million line of credit to finance working capital needs. On April 9, 2021, the SFS renewed the \$8 million line of credit to finance working capital needs. Any outstanding principal balance was due and payable in full on May 1, 2022. Interest expense is determined at the SFS's discretion using rates of a) 0.50% above Daily One Month LIBOR, or b) a fixed rate per annum of 0.50% above LIBOR in effect on the first day of the applicable LIBOR period, which was 0.073% at August 31, 2021. This line of credit is collateralized by the unrestricted portion of the investment portfolio which is held at the bank issuing the line of credit.

On May 1, 2022, the SFS again renewed the \$8 million line of credit to finance working capital needs. Any outstanding balance was due and payable in full on May 1, 2023. Interest expense is determined at the SFS's discretion using rates of a) a fluctuating rate per annum determined by the bank to be six hundredths percent (0.60%) above the daily simple SOFR in effect from time to time, or b) a fixed rate per annum determined by the bank to be sixty hundredths percent (0.60%) above the SOFR average in effect on the first day of the applicable interest period. As of August 31, 2022, the outstanding balance on this line of credit was \$0. Interest expense incurred for the year ended August 31, 2022 totaled \$0.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

On March 20, 2023, the SFS renewed the existing line of credit, and established a new \$10 million limit to finance working capital needs. Any outstanding principal balance shall be due and payable in full on June 14, 2024. Interest expense is determined at the SFS's discretion using rates of a) at a fluctuating rate per annum determined to be 1.20% above Daily Simple Secured Overnight Financing Rate ("SOFR") in effect from time to time, or (b) at a fixed rate per annum determined to be 1.20% above SOFR average in effect on the first day of the applicable interest period.

On June 2, 2023, the SFS obtained a new \$5 million line of credit to finance working capital needs. Any outstanding principal balance shall be due and payable in full on June 2, 2024. Interest expense is determined by the one-month term SOFR. The interest rate cannot change more than once per month. This line of credit is not collateralized.

Interest expense related to the lines of credit for the year ended August 31, 2023 totaled \$247 and the outstanding balances on the lines of credit were \$0 for the years ended August 31, 2023 and 2022.

**9. ENDOWMENT**

The SFS's endowment consists of 139 individual funds established for a variety of purposes including both donor restricted endowment funds and funds designated by the Board to function as endowments ("board-designated endowment"). As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The SFS's investment policy is designed to preserve and enhance the inflation-adjusted value of the endowment investments using the total return approach to meet its long-term performance objective of an average annual inflation-adjusted net return of 6%. Asset allocation parameters are established taking into consideration those investments with lock-up periods. This strategy allows for a significant allocation to equity-oriented investments, diversified across asset classes and managers, offering long-term capital appreciation. Portfolio performance is compared against relevant market benchmarks on a quarterly basis. The SFS's investment policy targets an asset allocation of 37% global equities, 20% private equity, 13% hedged equities, 9% private debt, 8% private equity real estate, 6% absolute return, 4% government bonds, 3% inflation-linked bonds, and 1% cash. The Board may, at its discretion, change asset allocations, as deemed necessary.

The long-term objective of the SFS is to stabilize annual spending levels to preserve the real value of the endowment over time. In order to do so, the expected return of the endowment considers the annual spending rate, the long-term inflation rate, and any growth factors which the Investment and Finance Committees deem appropriate.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

The SFS implemented a new endowment spending policy effective September 1, 2020. Under this new policy, the amount drawn and appropriated to operations is calculated quarterly based upon a 20-quarter moving average of the unitized value of the endowment. That value is then multiplied by 25% of the annualized payout percentage of 5.75% to calculate the effective percentage draw. Under the new policy, the annualized payout percentage of 5.75% will decline gradually over a six-year period to 4.5%. During the year ended August 31, 2023, the SFS decided to postpone the decline in the payout percentage pending completion of an upcoming capital campaign.

The computed effective available appropriation rate for the year ended August 31, 2023 was 4.69% of which 4.56% was actually appropriated. The computed effective available appropriation rate for the year ended August 31, 2022 was 4.43% of which 4.31% was actually appropriated.

FASB Accounting Standards Codification Topic 958, Not-for-Profit Entities, provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA"), which was enacted in the State of California on January 1, 2009.

Under California UPMIFA, prudent appropriation of income or appreciation from a fund where the value is less than its historic dollar value is permitted. In particular, UPMIFA provides that unless a donor expresses a contrary intention in a gift instrument, a charitable institution may appropriate as much of an endowment fund as it "determines is prudent for the uses, benefits, purposes and duration for which the fund is established," without regard for historic dollar value. Additionally, UPMIFA requires that in making any decision to appropriate "the institution shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances." Unless stated otherwise in the gift instrument, the assets in an endowment fund shall be donor-restricted assets until appropriated for expenditure by the Board. It further provides a requirement that the institution "shall consider, if relevant" the following factors in deciding whether to appropriate from a fund:

- (1) Duration and preservation of the endowment fund
- (2) Purposes of the Symphony and the endowed fund
- (3) General economic conditions
- (4) Possible effects of inflation or deflation
- (5) Expected total return from income and the appreciation of investments
- (6) Other resources of the SFS
- (7) Investment policy of the SFS



**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

From time to time, the fair value of assets associated with individual donor-endowment funds may fall below the value of the initial and subsequent donor gift amounts. These deficits resulted from unfavorable market fluctuations and continued appropriation for certain programs and expenditures that were deemed prudent. Subsequent gains that restore the fair value of the assets of the endowment funds to the required level will be classified as an increase in assets with donor restrictions. Deficiencies of this nature are reflected in the financial statements as follows as of August 31 of the respective years:

	<b>2023</b>	<b>2022</b>
Fair value of endowment funds in an underwater position	\$ 10,197	\$ 8,794
Historical gift value of endowment funds in an underwater position	10,818	9,401
Total underwater deficiency of endowment funds	\$ (621)	\$ (607)

For financial reporting purposes, donor-restricted endowment fund appreciation, gains, and income exceeding donor restrictions are classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Board. Upon appropriation, appreciation and earnings are reclassified as net assets without donor restrictions.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

Endowment net asset composition by type of fund as of August 31, 2023 and 2022 are:

	Without Donor Restrictions	With Donor Restrictions	Total
<b>2023</b>			
Board-designated endowment funds	\$ 18,363	\$ -	\$ 18,363
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	220,775	220,775
Accumulated investment earnings:			
Available for appropriation	-	46,575	46,575
Available for appropriation and restricted for purpose	-	47,921	47,921
Donor-restricted endowment funds	-	315,271	315,271
<b>Total</b>	<b>\$ 18,363</b>	<b>\$ 315,271</b>	<b>\$ 333,634</b>

	Without Donor Restrictions	With Donor Restrictions	Total
<b>2022</b>			
Board-designated endowment funds	\$ 17,967	\$ -	\$ 17,967
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	216,970	216,970
Accumulated investment earnings:			
Available for appropriation	-	45,833	45,833
Available for appropriation and restricted for purpose	-	45,309	45,309
Donor-restricted endowment funds	-	308,112	308,112
<b>Total</b>	<b>\$ 17,967</b>	<b>\$ 308,112</b>	<b>\$ 326,079</b>

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

Changes in endowment net assets for the years ended August 31, 2023 and 2022 are:

	Without Donor Restrictions (Board-Designated Endowment)	With Donor Restrictions	Total
Balance, August 31, 2021	\$ 14,332	\$ 350,159	\$ 364,491
Net investment return	(2,003)	(38,915)	(40,918)
Contributions	5,638	12,007	17,645
Endowment draw	-	(15,139)	(15,139)
Total	<u>3,635</u>	<u>(42,047)</u>	<u>(38,412)</u>
Balance, August 31, 2022	<u>\$ 17,967</u>	<u>\$ 308,112</u>	<u>\$ 326,079</u>
Net investment return	1,016	18,557	19,573
Contributions	2,380	3,806	6,186
Endowment draw	(3,000)	(15,204)	(18,204)
Total	<u>396</u>	<u>7,159</u>	<u>7,555</u>
Balance, August 31, 2023	<u>\$ 18,363</u>	<u>\$ 315,271</u>	<u>\$ 333,634</u>

During the year ended August 31, 2022, due to the impact of the pandemic on several SFS programs, the SFS received approval from certain donors to temporarily lift purpose restrictions resulting in additional endowment draws of \$1,056.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

**10. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions as of August 31, 2023 and 2022 are restricted for the following purposes or subject to the passage of time:

	<u>2023</u>	<u>2022</u>
Endowment:		
General operations	\$ 167,275	\$ 162,890
Artistic excellence	72,692	70,390
Education and community	71,629	71,376
Innovation and special campaigns	3,580	3,368
Capital	95	88
Total endowment	<u>315,271</u>	<u>308,112</u>
Other Donor Funds:		
Time restricted	\$ 5,618	\$ 9,678
Digital capabilities	423	1,094
Artistic excellence	156	1,472
Education and community	1,660	1,217
Innovation and special campaigns	5,125	3,013
Total other donor funds	<u>12,982</u>	<u>16,474</u>
 Total restricted net assets	 <u>\$ 328,253</u>	 <u>\$ 324,586</u>

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

Net assets released from restrictions for the years ended August 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Endowment:		
General operations	\$ 7,761	\$ 8,436
Artistic excellence	3,667	3,072
Education and community	3,742	3,451
Capital	34	180
Total endowment	<u>15,204</u>	<u>15,139</u>
Other $\square$ Time restricted	5,676	1,095
Digital capabilities	735	32
Artistic excellence	1,643	260
Education and community	1,638	1,582
Innovation and special campaigns	2,978	422
Capital	-	67
Total other donor funds	<u>12,670</u>	<u>3,458</u>
Total released from restriction	<u>\$ 27,874</u>	<u>\$ 18,597</u>

**11. DEFINED BENEFIT RETIREMENT PLANS**

The SFS maintains two defined-benefit pension plans, one for members of the orchestra, the San Francisco Retirement Plan (the "Orchestra Plan"), and one for administrative employees, the San Francisco Symphony Retirement Plan (the "Administrative Plan"). On March 31, 2010, the Administration Plan was frozen, and the SFS added a discretionary base contribution to its defined contribution plan (Note 12). The SFS uses an August 31 measurement date for its defined benefit pension plan obligations.

**SAN FRANCISCO SYMPHONY**  
**Notes to Financial Statements**  
**August 31, 2023 and 2022**  
(in thousands)

The following table sets forth each plan's funded status, net pension expense and other pension-related amounts reported in the SFS's financial statements:

	Orchestra Plan		Administrative Plan	
	Year ended August 31, 2023	2022	Year ended August 31, 2023	2022
Plan assets at fair value	\$ 92,868	\$ 94,121	\$ 19,754	\$ 19,024
Accumulated benefit obligation	(82,648)	(91,782)	(17,874)	(19,255)
Unfunded status	<u>\$ 10,220</u>	<u>\$ 2,339</u>	<u>\$ 1,880</u>	<u>\$ (231)</u>
Service cost - benefits earned during the period	\$ 1,437	\$ 1,623	\$ 185	\$ 185
Interest cost - on projected benefit obligation	3,834	2,256	809	464
Expected annual return on plan assets	(6,287)	(6,144)	(1,301)	(1,273)
Amortization of prior service cost	1,070	1,103	-	-
Recognized net actuarial losses	-	1,678	-	708
Net periodic benefit cost (pension expense)	<u>\$ 54</u>	<u>\$ 516</u>	<u>\$ (307)</u>	<u>\$ 84</u>
Employer contributions	\$ 258	\$ 258	\$ 42	\$ 373
Benefits and expenses paid	4,665	4,566	1,064	1,206
Unrecognized amounts in net assets without donor restrictions:				
Net periodic benefit cost	\$ 5,294	\$ 11,931	\$ 490	\$ 2,252
Net prior service cost	3,629	4,699	-	-

The following table sets forth the respective amounts to be reflected in the financial statements for the year ended August 31, 2023:

	Orchestra Plan	Administrative Plan
Prior service cost	\$ 1,070	\$ -
Actuarial losses	\$ -	\$ -

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

The following tables represent the Orchestra Plan's investments measured at fair value on a recurring basis as of August 31, 2023 and 2022:

<b><u>2023</u></b>	<b><u>Level 1</u></b>	<b><u>Level 2</u></b>	<b><u>Level 3</u></b>	<b><u>NAV</u></b>	<b><u>Total</u></b>
Cash and cash equivalents for reinvestment	\$ 1,184	\$ -	\$ -	\$ -	\$ 1,184
Fixed income					
Total return	12,627	-	-	5,084	17,711
Floating rate high income	3,069	-	-	-	3,069
Equity					
Domestic equity	1,693	-	-	4,396	6,089
International equity	4,886	-	-	-	4,886
Global equity	3,328	-	-	23,196	26,524
Emerging equity	-	-	-	2,807	2,807
Absolute Return					
Multistrategy	-	-	-	12,762	12,762
Hedged Equities	-	-	-	12,219	12,219
Private equity					
Venture	-	-	-	32	32
Buyout	-	-	-	191	191
Private debt					
Direct lending	-	-	-	1,882	1,882
Real estate					
Core	1,426	-	-	2,115	3,541
Total investments	<u>\$ 28,213</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,684</u>	<u>\$ 92,897</u>
<b><u>2022</u></b>	<b><u>Level 1</u></b>	<b><u>Level 2</u></b>	<b><u>Level 3</u></b>	<b><u>NAV</u></b>	<b><u>Total</u></b>
Cash and cash equivalents for reinvestment	\$ 132	\$ -	\$ -	\$ -	\$ 132
Fixed income					
Total return	10,961	-	-	7,068	18,029
Equity					
Domestic equity	10,026	-	-	4,297	14,323
International equity	2,643	-	-	2,393	5,036
Global equity	-	-	-	19,713	19,713
Emerging equity	-	-	-	2,646	2,646
Absolute Return					
Multistrategy	-	-	-	247	247
Hedged Equities	-	-	-	29,722	29,722
Real estate					
Core	4,273	-	-	-	4,273
Total investments	<u>\$ 28,035</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,086</u>	<u>\$ 94,121</u>

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

In accordance with ASU No. 2009-12, *Fair Value Measurements and Disclosures*, disclosures regarding the category, fair value, unfunded commitments, redemption, frequency, and redemption notice period for those assets whose fair value is estimated using NAV per share as of August 31, 2023 and 2022, are summarized as follows:

Category/Objective	Fair Value Determined Using NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<b>2023</b>				
Fixed income	\$ 5,084	\$ -	Quarterly	60 days
Equity	30,399	-	Monthly/quarterly/annually	8-92 days
Multistrategy	24,981	-	Monthly/quarterly	30-90 days
Private equity	223	-	No withdrawal of capital	N/A
Private debt	1,882	-	No withdrawal of capital	N/A
Real estate	2,115	-	No withdrawal of capital	N/A
Total	\$ 64,684	\$ -		
Category/Objective	Fair Value Determined Using NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<b>2022</b>				
Fixed income	\$ 7,068	\$ -	Quarterly	60 days
Equity	29,049	-	Monthly/quarterly/annually	30-90 days
Multistrategy	29,969	-	Monthly/quarterly	30-90 days
Total	\$ 66,086	\$ -		



**SAN FRANCISCO SYMPHONY**  
**Notes to Financial Statements**  
**August 31, 2023 and 2022**  
(in thousands)

The following tables represent the Administrative Plan's investments measured at fair value on a recurring basis as of August 31, 2023 and 2022:

<b><u>2023</u></b>	<b><u>Level 1</u></b>	<b><u>Level 2</u></b>	<b><u>Level 3</u></b>	<b><u>NAV</u></b>	<b><u>Total</u></b>
Cash and cash equivalents for reinvestment	\$ 382	\$ -	\$ -	\$ -	\$ 382
Fixed income					
Total return	651	-	-	1	652
Equity					
Domestic equity	4,250	-	-	-	4,250
International equity	901	-	-	641	1,542
Global equity	1,079	-	-	3,962	5,041
Absolute Return					
Hedge fund of funds	-	-	-	7,887	7,887
Total investments	<u>\$ 7,263</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,491</u>	<u>\$ 19,754</u>

<b><u>2022</u></b>	<b><u>Level 1</u></b>	<b><u>Level 2</u></b>	<b><u>Level 3</u></b>	<b><u>NAV</u></b>	<b><u>Total</u></b>
Cash and cash equivalents for reinvestment	\$ 421	\$ -	\$ -	\$ -	\$ 421
Equity					
Domestic equity	4,786	-	-	-	4,786
International equity	507	-	-	897	1,404
Global equity	-	-	-	4,238	4,238
Absolute Return					
Hedge fund of funds	1,999	6,176	-	-	8,175
Total investments	<u>\$ 7,713</u>	<u>\$ 6,176</u>	<u>\$ -</u>	<u>\$ 5,135</u>	<u>\$ 19,024</u>

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

In accordance with ASU No. 2009-12, *Fair Value Measurements and Disclosures*, disclosures regarding the category, fair value, unfunded commitments, redemption, frequency, and redemption notice period for those assets whose fair value is estimated using NAV per share as of August 31, 2023 and 2022, are summarized as follows:

Category/Objective	Fair Value Determined Using NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<b>2023</b>				
Fixed income	\$ 1	\$ -	Quarterly	60 days
International equity	641	-	Monthly/quarterly	30 days
Global equity	3,962	-	Monthly/quarterly	30-95 days
Absolute return	7,887	-	Monthly/quarterly	30-90 days
Total	<u>\$ 12,491</u>	<u>\$ -</u>		

Category/Objective	Fair Value Determined Using NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<b>2022</b>				
International equity	\$ 897	\$ -	Monthly/quarterly	30 days
Global equity	4,238	-	Monthly/quarterly	30-95 days
Total	<u>\$ 5,135</u>	<u>\$ -</u>		

The SFS's policy is to make annual contributions to the Orchestra and Administrative Plans that are the greater of an amount equal to the annual net periodic benefit expense or the minimum required contribution per Internal Revenue Service ("IRS") requirements of each plan. Contributions equal to net periodic benefit expense are funded from the SFS's operating budget.

The SFS anticipates future benefit payments, which reflect future service, to be paid from the pension plan as follows:

	<u>Orchestra Plan</u>	<u>Administrative Plan</u>
Year ending August 31,		
2024	5,514	1,350
2025	5,804	1,358
2026	5,920	1,367
2027	6,024	1,371
2028	6,075	1,376
Thereafter	30,471	6,710
Total	<u>\$ 59,808</u>	<u>\$ 13,532</u>

**SAN FRANCISCO SYMPHONY**  
**Notes to Financial Statements**  
**August 31, 2023 and 2022**  
(in thousands)

*Assumptions* – Weighted-average assumptions used to determine benefit obligations and net periodic benefit cost for the years were as follows:

	Orchestra Plan		Administrative Plan	
	Year ended August 31,		Year ended August 31,	
	2023	2022	2023	2022
Weighted average assumptions:				
Discount rate for net periodic benefit cc	5.73%	5.14%	5.73%	5.10%
Discount rate for projected benefit obliq	5.73%	5.14%	5.73%	5.10%
Expected return on plan assets	6.50%	6.50%	6.75%	6.75%
Rate of compensation increase	N/A	N/A	N/A	N/A

The plans' investments are made for the purpose of providing retirement reserves for the present and future benefit of participants of the plans. The Investment Committee of the Board of Governors of the SFS and its external service providers (i.e., investment managers and advisors) shall adhere to the Employee Retirement Income Security Act of 1974 (“ERISA”) "prudent investor" standard of care and other fiduciary obligations under ERISA in carrying out their duties with respect to the plans' assets. The primary investment objective is to maximize returns while maintaining an acceptable level of risk, subject to the funding policies determined by the Finance Committee of the Board of Governors of the SFS. The SFS acknowledges this goal is long-term in nature and that interim investment environments may provide anticipated or actual returns in excess or below the level indicated.

*Plan assets* – Weighted-average asset allocation of the SFS's pension plans were as follows:

Asset Category	Orchestra Plan - Plan Asset Allocations				Administrative Plan - Plan Asset Allocations			
	Year ended				Year ended			
	August 31, 2023		August 31, 2022		August 31, 2023		August 31, 2022	
	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Public equity	33%	43%	33%	37%	55%	52%	55%	47%
Private equity	10%	42%	10%	49%	0%	0%	0%	0%
Hedge funds/absolute return	27%	0%	27%	0%	40%	43%	40%	51%
Government bonds	5%	0%	5%	0%	0%	0%	0%	0%
Inflation linked bonds	5%	0%	5%	0%	0%	0%	0%	0%
Private debt	10%	0%	10%	0%	0%	0%	0%	0%
Core property	5%	2%	5%	0%	0%	0%	0%	0%
Fixed income	0%	12%	0%	13%	0%	3%	0%	0%
Liquid credit	4%	0%	4%	0%	0%	0%	0%	0%
Cash	1%	1%	1%	1%	5%	2%	5%	2%

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

Retirement plans – multiemployer

The SFS is a participating employer in various trustee-managed multiemployer defined benefit pension plans for employees who participate in collective bargaining agreements. These plans are each managed by a board of trustees and certain employees who are members of the American Federation of Musicians and certain employees who are members of the International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts of the United States and Canada, Local 16 (“I.A.T.S.E. 16”) participate in these plans. These plans generally provide retirement benefits to employees based on years of service to participating employers. Contributions to these plans range from 10% to 12% of the employee’s compensation for the years ended August 31, 2023 and 2022, respectively.

The risks of participating in these multiemployer defined benefit pension plans differ from single employer plans because: a) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers, b) the unfunded obligations of the plan may be required to be borne by the remaining participating employers if a participating employer stops contributions to the plan, and c) it may be required to pay a withdrawal liability to the plan if the SFS chooses to cease participation in one of its multiemployer plans. In connection with its recurring periodic re-negotiation of collective bargaining agreements, the SFS may negotiate for the complete or partial withdrawal from these plans. Withdrawal liabilities could be material to the SFS’s change in net assets in the period of the withdrawal. The SFS currently has no plans to withdraw from its multiemployer pension plans.

The SFS is not obligated for any minimum contributions for these plans.

*American Federation of Musicians & Employers’ Pension Fund (AFM Pension Fund) –  
EIN and Plan Number: 51-6120204001*

The SFS makes contributions to the AFM Pension Fund on behalf of those employees who are members of the American Federation of Musicians who meet certain criteria. As of December 31, 2022, the AFM Pension Fund (“the Fund”) had roughly \$1.7 billion in assets and about \$3.5 billion in liabilities, which is the value of all the benefits that have been earned by participants for services already performed and that will be paid in the future. That means that the Fund entered “critical and declining status” in April 2019. It remains that status as of August 31, 2023. This means that the Fund is currently projected to run out of money to pay benefits (or become “insolvent” within 20 years. Under the American Rescue Plan Act of 2021, the Fund and other troubled multiemployer plans that are critical and declining or meet other criteria may obtain special financial assistance from the Pension Benefit Guarantee Corporation. This financial assistance is intended to provide these plans with the funding they need so that they are projected to be able to pay benefits due through the plan year ending in 2051, without reductions to participants’ benefits. Plans that receive special financial assistance are deemed to be in critical status through 2051.

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

The SFS contributed \$569 and \$427 for the years ended August 31, 2023 and 2022, respectively, and did not contribute more than 5% of total Fund contributions for each respective plan year end. The SFS paid a contribution surcharge in both fiscal years.

	Plan Year Ended	
	December 31, 2022	March 31, 2022
Valuation date	April 1, 2022	April 1, 2021
Funded percentage	49.4%	49.9%
Actuarial value of assets	\$1,733,485	\$1,734,587
Actuarial value of liabilities	\$3,511,565	\$3,478,405
Pension Protection Zone Act Status	Deep Red	Deep Red
Zone status applicable year	March 31, 2022	March 31, 2022
FIP/RP Status	Implemented	Implemented
Expiration of Collective Bargaining Agreement	November 26, 2022	November 26, 2022

The following table sets forth the most recent information about the Fund:

*I.A.T.S.E. Local 16 Pension Plan - EIN and Plan Number 94-6296420001*

The SFS makes contributions to the I.A.T.S.E. Local 16 Pension Plan on behalf of employees who are members of the I.A.T.S.E. 16. The I.A.T.S.E. Pension Fund was in "green" zone status (i.e., funded percentage is greater than 80%) for the years ending December 31, 2023 and December 31, 2022. The SFS contributed \$222 and \$222 for the Plan years ended August 31, 2023 and 2022, respectively, and did not contribute more than 5% of total Pension Fund contributions for each respective plan year end.

The following table sets forth the most recent information about the I.A.T.S.E Local 16 Pension Plan:

	Plan Year Ended	
	December 31, 2022	December 31, 2021
Valuation date	January 21, 2022	January 21, 2021
Funded percentage	99.4%	95.3%
Actuarial value of assets	\$532,923	\$472,564
Actuarial value of liabilities	\$535,904	\$495,921
Pension Protection Zone Act Status	Green	Green
Zone status applicable year	December 31, 2022	December 31, 2021
FIP/RP Status	Implemented	Implemented
Expiration of Collective Bargaining Agreement	October 31, 2023	October 31, 2023

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

**12. DEFINED CONTRIBUTION PLAN**

The SFS participates in a defined contribution plan (the “403b Plan”) covering substantially all SFS employees. The 403b Plan provides for discretionary contributions to be made by both orchestra and administrative participants. The 403b Plan also provides for discretionary contributions to be made by the SFS on behalf of administrative participants. The SFS's discretionary base contributions to participants' accounts begin after the participant has completed one year of service. Base contributions for the years ended August 31, 2023 and 2022 were \$331 and \$299, respectively. Participants are fully vested in the base contribution after five years.

The SFS's matching contributions to participants' accounts begin after the participant has completed two years of service. The SFS's matching contributions for the years ended August 31, 2023 and 2022 were \$152 and \$171, respectively.

**13. COMMITMENTS AND CONTINGENCIES**

The SFS also has a contractual arrangement with its current Music Director, which expires August 31, 2025; and with its Music Director Laureate and Chorus Director, which expire August 31, 2024.

The following table lists the amounts pertaining to the contractual arrangement with its Music Director, Music Director Laureate, and other contracts:

Years Ended August 31,	
2024	\$ 2,477
2025	<u>2,018</u>
Total	<u>\$ 4,495</u>

The SFS has commitments under partnership and limited liability company agreements to make future capital contributions of \$27,259 (Note 5).

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

**14. FUNCTIONAL AND NATURAL CLASSIFICATION OF EXPENSES**

Expense by functional and natural classification for the fiscal years ended August 31, 2023 and 2022 are as follows:

<b>2023</b>	Education/			Total Program	Development	Management & General	Total
	Concert	Youth	Retail				
Personnel	\$ 39,082	\$ 1,690	\$ 579	\$ 41,351	\$ 5,325	\$ 4,418	\$ 51,094
Guest conductors and artists	5,248	58	-	5,306	193	-	5,499
Professional fees	5,687	90	146	5,923	809	3,442	10,174
Purchased services	1,442	18	35	1,495	1,432	3,132	6,059
Travel and accommodations	1,038	51	1	1,090	89	61	1,240
Facilities	842	70	42	954	57	350	1,361
Supplies	587	115	24	726	80	64	870
Insurance	67	-	-	67	-	432	499
Taxes	4	6	-	10	-	237	247
Other	3,471	105	5	3,581	993	947	5,521
Depreciation and amortization	241	4	46	291	24	300	615
Total	<u>\$ 57,709</u>	<u>\$ 2,207</u>	<u>\$ 878</u>	<u>\$ 60,794</u>	<u>\$ 9,002</u>	<u>\$ 13,383</u>	<u>\$ 83,179</u>
As a percentage of the total	69%	3%	1%	73%	11%	16%	100%

<b>2022</b>	Education/			Total Program	Development	Management & General	Total
	Concert	Youth	Retail				
Personnel	\$ 39,192	\$ 1,561	\$ 358	\$ 41,111	\$ 3,787	\$ 4,175	\$ 49,073
Guest conductors and artists	4,406	57	-	4,463	102	6	4,571
Professional fees	4,847	109	36	4,992	289	2,618	7,899
Purchased services	1,780	29	41	1,850	819	429	3,098
Travel and accommodations	234	7	-	241	47	42	330
Facilities	834	92	25	951	49	405	1,405
Supplies	487	90	209	786	412	38	1,236
Insurance	82	-	-	82	-	331	413
Taxes	3	2	2	7	-	129	136
Other	1,602	31	25	1,658	999	2,649	5,306
Depreciation and amortization	432	-	530	962	24	298	1,284
Total	<u>\$ 53,899</u>	<u>\$ 1,978</u>	<u>\$ 1,226</u>	<u>\$ 57,103</u>	<u>\$ 6,528</u>	<u>\$ 11,120</u>	<u>\$ 74,751</u>
As a percentage of the total	72%	3%	2%	76%	9%	15%	100%

**SAN FRANCISCO SYMPHONY**  
Notes to Financial Statements  
August 31, 2023 and 2022  
(in thousands)

**15. RELATED PARTIES**

As of August 31, 2023 and 2022, undiscounted pledge receivables include \$228 and \$801, respectively, from members of the SFS Board of Governors.

For the year ended August 31, 2023 and 2022, contributions of financial assets include \$23,489 and \$10,368, respectively, from members of the Board of Governors. For the years ended August 31, 2023 and 2022, \$15,055 and \$4,803, respectively, were from a single member of the Board of Governors. Contributions of nonfinancial assets include \$0 and \$421 in legal services provided by a member of the Board of Governors.

A member of the Board of Governors also serves as a Commissioner of the War Memorial Board, which owns Davies Symphony Hall, where the SFS performs and houses its administrative offices.

A member of the Board of Governors is related to the co-founders and executives of G2 Insurance Services, which is the SFS's insurance broker.

A member of the Board of Governors has a financial interest in Bill, the cloud-application used by the SFS for payables processing.

A member of the Board of Governors is employed at Wells Fargo bank with which the SFS has operating accounts, credit facilities, and investments.

These transactions were subject to customary arms-length transactions.

**16. RISKS AND UNCERTAINTIES**

The SFS is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the SFS's financial position or changes in net assets.

**17. SUBSEQUENT EVENTS**

In preparing these financial statements, the SFS has evaluated events and transactions for potential recognition for disclosure through February 26, 2024, the date the financial statements were available to be issued.

As of October 1, 2023, the SFS's musicians ratified a new Collective Bargaining Agreement.



## **SUPPLEMENTARY INFORMATION**

**SAN FRANCISCO SYMPHONY**  
Schedule of Changes in Endowment Net Assets, continued  
For the Year Ended August 31, 2023

	Net Assets		Investment Return	Appropriation of Endowment Assets for Expenditures	Net Assets August 31, 2023
	September 1, 2022	Contributions			
Louise M. Davies Conductor Fund	\$ 25,093,401	\$ -	\$ 1,588,986	\$ (708,307)	\$ 25,974,080
Littlefield Fund	25,705,567	-	1,632,769	(1,578,090)	25,760,246
Wattis Fund for New Works of Music	21,774,377	-	1,352,512	(1,176,480)	21,950,409
Phyllis Wattis Endowment Fund	19,652,162	-	1,222,759	(1,234,782)	19,640,139
Wattis Fund for Guest Artists	16,850,719	-	1,046,680	(910,452)	16,986,947
Fisher AIM Fund	14,925,490	-	947,266	(785,012)	15,087,744
SFS Endowment Fund	11,774,680	2,064,656	940,900	(672,349)	14,107,887
Richard and Thoda Goldman String Fund	11,713,542	-	744,022	(719,106)	11,738,458
Board Designated Endowment Fund	9,529,971	2,379,000	483,969	(3,000,000)	9,392,940
Adventures in Music Fund	9,202,451	-	584,045	(483,863)	9,302,633
Osgood Hooker Fund	9,611,545	-	546,989	(528,671)	9,629,863
Hewlett Foundation Fund	7,670,431	-	486,814	(403,310)	7,753,935
Ford Foundation Fund	6,452,885	-	407,543	-	6,860,428
Hoefer Fund for Artistic Excellence	5,885,093	-	373,810	(361,292)	5,897,611
Naoum Blinder Concertmaster Chair Fund	5,324,315	-	338,191	(326,865)	5,335,641
Osher Semi-Staged Fund	5,070,879	-	321,830	(266,626)	5,126,083
Barbro and Bernard Osher SoundBox Fund	4,808,931	-	303,716	-	5,112,647
Jean and Bill Lane Fund	4,114,681	-	259,870	-	4,374,551
Wattis Youth Symphony Fund	4,246,088	-	263,745	(229,418)	4,280,415
Rainbow Piccolo Chair	4,149,768	48,671	136,064	(124,930)	4,209,573
Hearst Unrestricted Fund	3,945,021	-	250,580	(242,189)	3,953,412
250 Post Street YO Fund	4,432,252	-	(246,922)	(274,026)	3,911,304
Comprehensive Campaign Fund	3,367,535	-	212,682	-	3,580,217
Ann and Charles Johnson Fund	3,430,144	-	217,876	(210,580)	3,437,440
Organ Performance and Maintenance Fund	3,009,379	-	190,075	(2,170)	3,197,284
Helen and Charles Schwab Fund	2,912,289	-	184,065	(22,897)	3,073,457
The Karel and Lida Urbaneek Chair	2,340,842	395,260	155,941	-	2,892,043
Estate of Mrs. Betty Peters Fund	2,690,276	-	170,843	(158,593)	2,702,526
Wallace Fund	2,624,492	-	166,567	(137,995)	2,653,064
Paul & Phyllis Wattis YO Conductor Fund	2,544,962	-	161,519	(133,814)	2,572,667
SFS Education Fund Perm	2,520,913	-	159,993	(132,549)	2,548,357
Osher Masterworks Fund	2,487,792	-	157,891	(130,808)	2,514,875
250 Post Street Fund	2,480,372	-	(153,470)	-	2,326,902
Zellerbach Fund	2,306,831	-	146,526	(141,619)	2,311,738
Paul and Phyllis Wattis New Music Fund	2,170,652	-	137,763	(114,132)	2,194,283
Wattis for Wattis Room Maintenance Fund	2,005,826	-	123,296	-	2,129,122
Robert Samter Trombone Chair	2,095,779	-	132,963	(102,057)	2,126,685
Agnes Albert Music Education Fund	2,052,135	-	130,241	(107,901)	2,074,475
Goldman Timpani Chair Fund	2,047,725	-	130,068	(125,712)	2,052,081
Penelope Clark Fund	1,881,934	113,200	40,431	(32,846)	2,002,719
Ralph Dorfmann Commissioning Fund	922,574	982,123	78,755	(61,172)	1,922,280
Shenson Young Artist Fund	1,820,592	-	115,546	(95,726)	1,840,412
Wattis Special Performance Fund	1,791,352	-	113,783	(109,973)	1,795,162
K Hart Smith Fund	1,696,630	-	107,679	(89,208)	1,715,101
Paula and John Gams Fund	1,642,255	-	104,313	(100,820)	1,645,748
Heyman-Mortiz Fund	1,593,968	-	101,163	(83,811)	1,611,320
Lawrence Metcalf Chair Fund	1,546,291	-	98,218	(94,928)	1,549,581
SFS YO Fund	1,481,000	7,771	94,503	(78,242)	1,505,032
Lyman and Carol Casey Fund	1,497,298	-	95,106	(91,921)	1,500,483
Diane Miller AIM Fund	1,466,976	-	93,103	(77,133)	1,482,946
Christine and Pierre Lamond Fund	1,460,683	-	92,780	(89,673)	1,463,790
Hume Flute Chair Fund	1,453,833	-	92,345	(89,252)	1,456,926
Nancy and Charles Geschke Fund	1,441,370	-	91,553	(88,487)	1,444,436
Osher YO Touring Fund	1,422,687	-	90,293	(74,805)	1,438,175
Stan and Lenora Davis String Chair Fund	1,302,604	-	82,739	(79,968)	1,305,375
Nan Tucker McEvoy ITS Fund	1,274,416	-	80,882	(67,008)	1,288,290
Hume YO Touring Fund	1,261,293	-	80,050	(66,318)	1,275,025
Emanuel Heller Fund	1,124,758	-	71,442	(69,050)	1,127,150
Haas CFK Fund	1,095,041	-	69,498	(57,577)	1,106,962
Athena Blackburn Russian Music Fund	1,074,164	4,212	47,685	(38,955)	1,087,106
Heidenreich Fund	1,067,644	-	67,815	(65,544)	1,069,915
Leanne and George Roberts Fund	1,041,875	-	66,124	(54,782)	1,053,217

**SAN FRANCISCO SYMPHONY**  
Schedule of Changes in Endowment Net Assets, continued  
For the Year Ended August 31, 2023

	Net Assets		Investment Return	Appropriation of Endowment Assets for Expenditures	Net Assets August 31, 2023
	September 1, 2022	Contributions			
The Betty Haag Music Education Fund	916,060	-	57,855	-	973,915
MTT First Performances Fund	894,909	-	56,843	(54,939)	896,813
Maurice and Stella Eliasar Fund	885,244	-	56,229	(54,346)	887,127
Kimball Education Fund	749,545	-	47,571	(39,411)	757,705
Sandy and Paul Otellini Education Fund	720,503	-	45,728	(37,884)	728,347
Pritzker Fund for CFK	674,343	-	42,798	(35,457)	681,684
Gary E. Gray Education Fund	632,553	-	40,146	(33,259)	639,440
Keyboard Fund	593,142	-	37,644	(31,187)	599,599
Phyllis Blair Cello Chair Fund	496,857	70,000	36,396	(28,933)	574,320
Pauline Chickering Instrument Fund	528,171	-	33,358	-	561,529
Hearst Fund	546,333	-	34,674	(28,726)	552,281
Hanrahan Violin Chair Fund	482,219	-	30,630	(29,604)	483,245
Katherine Johnson Fund	447,186	-	27,960	-	475,146
Margaret Koshland Sloss Fund	399,912	-	25,257	-	425,169
Fleishhacker Touring Fund	424,959	-	27,167	(55,741)	396,385
J. Peter Cahill Guest Pianist Fund	370,645	-	23,523	(19,488)	374,680
Walter and Lenoir Dean Fund	324,339	-	20,484	-	344,823
Paul and Kathy Bissinger Fund	333,121	-	21,159	(20,451)	333,829
Hurlbut Johnson Fund	325,030	-	20,628	(17,095)	328,563
Doris W. Grau Endowment Fund	306,239	-	19,341	-	325,580
Hormel Nguyen CFK Fund	302,588	-	19,110	-	321,698
Barbara and Richard Rosenberg Fund	320,751	-	20,374	(19,691)	321,434
Brayton Wilbur Fund for Touring	328,015	-	20,970	(43,025)	305,960
Stuart Gallion YO Fund	274,905	-	17,450	(14,950)	277,405
Shenson Flute Chair for YO Fund	265,233	-	16,847	(16,283)	265,797
Steinber Family Education Fund	226,319	-	14,364	(11,900)	228,783
Joseph Padula Memorial Fund	193,673	-	12,292	(10,183)	195,782
Schwabacher Vocal Artists Fund	188,641	-	11,972	(9,919)	190,694
KPMG Community Engagement Fund	172,530	-	10,950	(9,072)	174,408
Barbara Brookins Young Artists Fund	170,477	-	10,820	(8,964)	172,333
Agnes Albert Honorary Fund	164,908	-	10,475	(10,124)	165,259
Ann and Jim Paras Fund	162,743	-	10,337	(9,991)	163,089
Otto Sibelius Fund	160,981	-	10,217	(8,464)	162,734
Linda Tabor Beck etal Scholarship Fund	156,817	2,000	10,056	(8,323)	160,550
Halfmann-Yee Fund for Touring	170,495	-	10,900	(22,364)	159,031
Terry Family Fund	157,583	-	10,009	(9,674)	157,918
Nion McEvoy Family Fund	157,135	-	9,981	(9,647)	157,469
Shapiro Fund for Music Education	149,141	-	9,465	(7,842)	150,764
John and Susan Carver Fund	149,350	-	9,486	(9,169)	149,667
Jerome & Thao Dodson Music Education Fund	145,499	-	9,234	(7,650)	147,083
Moldaw Fund for ITS	145,371	-	9,226	(7,644)	146,953
Mrs. George Otto Memorial Vocalist Fund	145,335	-	9,224	(7,642)	146,917
Jon and Linda Griber Education Fund	144,540	-	9,173	(7,600)	146,113
Blair Fund	141,862	-	9,011	(8,709)	142,164
Elizabeth Letts Janss Fund	131,341	-	8,295	-	139,636
Fay and Ada Tom Fund for Touring	134,091	-	8,510	(7,050)	135,551
Geeslin Fund	133,098	-	8,447	(6,998)	134,547
Fay and Ada Tom Guest Pianist Fund	132,082	-	8,383	(6,945)	133,520
Howard Skinner Fund	131,498	-	8,346	(6,914)	132,930
Rochard and Joan Madden Fund	131,827	-	8,373	(8,093)	132,107
Fay and Ada Tom CFK Fund	130,228	-	8,265	(6,847)	131,646
Lenoard Kingsley Fund	123,023	-	7,770	-	130,793
Margaret Liu AIM Fund	129,077	-	8,192	(6,787)	130,482
Parker Mostly Mozart Fund	130,192	-	8,270	(7,993)	130,469
Goltz Education Fund	129,014	-	8,188	(6,784)	130,418
Rominger Fund	126,491	-	8,035	(7,765)	126,761
Fay and Ada Tom Family Fund	125,567	-	7,976	(7,709)	125,834
Athena Blackburn AIM Fund	123,368	-	7,830	(6,487)	124,711
Lisa and Douglas Goldman AIM Fund	122,318	-	7,763	(6,431)	123,650
Snow Fund for Music Education	120,221	-	7,630	(6,321)	121,530
Joan Danforth Guest Artist Fund	119,423	-	7,579	(6,279)	120,723

**SAN FRANCISCO SYMPHONY**  
Schedule of Changes in Endowment Net Assets, continued  
For the Year Ended August 31, 2023

	Net Assets		Investment Return	Appropriation of Endowment Assets for Expenditures	Net Assets
	September 1, 2022	Contributions			
Mr. Philip M. Hudner Fund	98,755	-	6,254	(2,912)	102,097
Joseph and Anna Meyer Fund	92,460	827	4,074	-	97,361
Archie Aye New Music Fund	90,197	2,813	3,933	(1,709)	95,234
Agnes Albert Display Case Fund	89,428	-	5,648	-	95,076
Gerald Rosenstein Fund	92,041	-	5,846	(5,650)	92,237
Evelyn Greenspan Fund	88,944	434	4,132	(3,627)	89,883
Fannie Irwin Fund	74,112	-	4,707	(4,550)	74,269
Wornick Fund	63,370	-	4,025	(3,890)	63,505
SFS Education Fund Temp	57,353	-	3,640	(3,016)	57,977
McCune Vian Fund for Vocal Performance	38,472	-	2,442	(2,023)	38,891
Brayton Wilbur Touring Fund	30,135	-	1,903	-	32,038
William Gregory YO Strings Fund	23,781	-	1,509	(1,250)	24,040
Mettler, Robert	13,898	738	-	-	14,636
De Bretteville Fund	13,466	-	855	(827)	13,494
Robles, Ernest	10,524	490	-	-	11,014
	<u>\$ 876,936</u>	<u>\$ 5,302</u>	<u>\$ 48,968</u>	<u>\$ (29,454)</u>	<u>\$ 901,752</u>