



*The Kensico Cemetery Arboretum: a Celebration
Financial Statements 2023*

Financial Statements 2023

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INDEPENDENT AUDITORS' REPORT

**Board of Directors
The Kensico Cemetery and Affiliate**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of The Kensico Cemetery and Affiliate (the "Organization"), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2023 and 2022, and the consolidated changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 generally accepted auditing standards 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 consolidated financial statements.

PKF O'CONNOR DAVIES, LLP
500 Mamaroneck Avenue, Harrison, NY 10528 | Tel: 914.381.8900 | Fax: 914.381.8910 | www.pkfod.com

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Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

PKF O'Connor Davies, LLP

June 3, 2024

THE KENSICO CEMETERY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2023

	General Fund	Bequest and Endowment Principal Fund	Bequest and Endowment Surplus Income Fund	Permanent Maintenance Fund	Declaratory Maintenance Fund	Total Cemetery Funds	Friends of The Kensico Cemetery	Total
<u>Assets</u>								
Cash and cash equivalents	\$ 9,784,764	\$ 674,293	\$ 32,152	\$ 3,891,093	\$ 4,490,473	\$ 18,872,775	\$ 2,110	\$ 18,874,885
Investments	72,268,981	61,808,547	3,824,135	70,668,707	132,550,483	341,120,853	-	341,120,853
Accounts receivable	4,432,302	-	-	-	-	4,432,302	-	4,432,302
Other receivables	875,100	-	-	-	-	875,100	-	875,100
Other assets	5,816,410	-	-	-	-	5,816,410	-	5,816,410
Interfund receivable (payable)	(1,575,323)	(105,683)	63,374	(142,314)	1,762,544	2,598	(2,598)	-
Over funded pension benefit obligation	5,932,767	-	-	-	-	5,932,767	-	5,932,767
Unrecovered development costs	188,148	-	-	-	-	188,148	-	188,148
Buildings and equipment, net	2,356,953	-	-	-	-	2,356,953	-	2,356,953
Total assets	\$ 100,080,102	\$ 62,377,157	\$ 3,919,661	\$ 74,417,486	\$ 138,803,500	\$ 379,597,906	\$ (488)	\$ 379,597,418
<u>Liabilities and Net Assets</u>								
Liabilities								
Accounts payable and accrued expenses	\$ 1,720,539	\$ -	\$ -	\$ -	\$ -	\$ 1,720,539	\$ -	\$ 1,720,539
Other liabilities	1,611,763	-	-	-	-	1,611,763	-	1,611,763
Unfunded other benefits	2,427,276	-	-	-	-	2,427,276	-	2,427,276
Total liabilities	5,759,578	-	-	-	-	5,759,578	-	5,759,578
Net assets (deficit) without donor restrictions								
Undesignated	94,320,524	-	-	-	-	94,320,524	(488)	94,320,036
Restricted by law	-	62,377,157	3,919,661	74,417,486	138,803,500	279,517,804	-	279,517,804
Total net assets (deficit) without donor restrictions	94,320,524	62,377,157	3,919,661	74,417,486	138,803,500	373,838,328	(488)	373,837,840
Total liabilities and net assets (deficit)	\$ 100,080,102	\$ 62,377,157	\$ 3,919,661	\$ 74,417,486	\$ 138,803,500	\$ 379,597,906	\$ (488)	\$ 379,597,418

See notes to consolidated financial statements.

THE KENSICO CEMETERY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2022

	General Fund	Bequest and Endowment Principal Fund	Bequest and Endowment Surplus Income Fund	Permanent Maintenance Fund	Declaratory Maintenance Fund	Total Cemetery Funds	Friends of The Kensico Cemetery	Total
<u>Assets</u>								
Cash and cash equivalents	\$ 7,475,873	\$ 363,103	\$ 105,554	\$ 1,165,471	\$ 2,799,020	\$ 11,909,021	\$ 10,008	\$ 11,919,029
Investments	60,160,837	56,459,149	3,662,788	62,148,688	110,954,977	293,386,439	-	293,386,439
Accounts receivable	1,832,592	-	-	-	-	1,832,592	-	1,832,592
Other receivables	672,349	-	-	-	-	672,349	-	672,349
Other assets	5,860,588	-	-	-	-	5,860,588	-	5,860,588
Interfund receivable (payable)	(1,331,407)	(145,849)	(93,102)	99,735	1,473,214	2,591	(2,591)	-
Over funded pension benefit obligation	4,296,131	-	-	-	-	4,296,131	-	4,296,131
Unrecovered development costs	134,447	-	-	-	-	134,447	-	134,447
Buildings and equipment, net	1,798,290	-	-	-	-	1,798,290	-	1,798,290
Total assets	<u>\$ 80,899,700</u>	<u>\$ 56,676,403</u>	<u>\$ 3,675,240</u>	<u>\$ 63,413,894</u>	<u>\$ 115,227,211</u>	<u>\$ 319,892,448</u>	<u>\$ 7,417</u>	<u>\$ 319,899,865</u>
<u>Liabilities and Net Assets</u>								
Liabilities								
Accounts payable and accrued expenses	\$ 1,475,528	-	\$ -	-	\$ -	\$ 1,475,528	\$ 2,398	\$ 1,477,926
Other liabilities	900,316	-	-	-	-	900,316	-	900,316
Unfunded other benefits	2,910,649	-	-	-	-	2,910,649	-	2,910,649
Total liabilities	<u>5,286,493</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,286,493</u>	<u>2,398</u>	<u>5,288,891</u>
Net assets without donor restrictions								
Undesignated	75,613,207	-	-	-	-	75,613,207	5,019	75,618,226
Restricted by law	-	56,676,403	3,675,240	63,413,894	115,227,211	238,992,748	-	238,992,748
Total net assets without donor restrictions	<u>75,613,207</u>	<u>56,676,403</u>	<u>3,675,240</u>	<u>63,413,894</u>	<u>115,227,211</u>	<u>314,605,955</u>	<u>5,019</u>	<u>314,610,974</u>
Total liabilities and net assets	<u>\$ 80,899,700</u>	<u>\$ 56,676,403</u>	<u>\$ 3,675,240</u>	<u>\$ 63,413,894</u>	<u>\$ 115,227,211</u>	<u>\$ 319,892,448</u>	<u>\$ 7,417</u>	<u>\$ 319,899,865</u>

See notes to consolidated financial statements.

THE KENSICO CEMETERY

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2023

	General Fund	Bequest and Endowment Principal Fund	Bequest and Endowment Surplus Income Fund	Permanent Maintenance Fund	Declaratory Maintenance Fund	Total Cemetery Funds	Friends of The Kensico Cemetery	Total
Support and revenue								
Lot, grave, crypt and niche sales	\$21,712,040	\$ -	\$ -	\$ -	\$ -	\$ 21,712,040	-	\$ 21,712,040
Transfers and reserves	(9,735,476)	-	-	2,759,737	-	(6,975,739)	-	(6,975,739)
Service department receipts	4,756,719	-	-	-	-	4,756,719	-	4,756,719
Investment return designated for current operations	11,514,858	-	1,318,594	1,549,752	405,200	14,788,404	-	14,788,404
Bequests and endowments received	-	289,076	-	-	-	289,076	-	289,076
Statutory contribution	-	-	-	72,345	-	72,345	-	72,345
Other	15,762	-	-	100	-	15,862	1,235	17,097
Total support and revenue from operations	28,263,903	289,076	1,318,594	4,381,934	405,200	34,658,707	1,235	34,659,942
Interfund transfers	3,114,661	-	(1,159,709)	(1,549,752)	(405,200)	-	-	-
Total support and revenue recognized	31,378,564	289,076	158,885	2,832,182	-	34,658,707	1,235	34,659,942
Expenses								
Program services	7,655,047	-	-	-	-	7,655,047	735	7,655,782
Supporting services	6,600,015	-	-	-	-	6,600,015	6,007	6,606,022
Total expenses from operations	14,255,062	-	-	-	-	14,255,062	6,742	14,261,804
Increase (decrease) in net assets without donor restrictions from operations before investment return and other changes	17,123,502	289,076	158,885	2,832,182	-	20,403,645	(5,507)	20,398,138
Investment return in excess of amounts designated for current operations	-	5,411,678	85,536	8,171,410	23,576,289	37,244,913	-	37,244,913
Increase (decrease) in net assets without donor restrictions before other changes	17,123,502	5,700,754	244,421	11,003,592	23,576,289	57,648,558	(5,507)	57,643,051
Other changes								
Pension benefit liability adjustment	835,443	-	-	-	-	835,443	-	835,443
Other benefits liability adjustment	444,869	-	-	-	-	444,869	-	444,869
Other components of net periodic pension cost	326,001	-	-	-	-	326,001	-	326,001
Other components of net periodic postretirement cost	(22,498)	-	-	-	-	(22,498)	-	(22,498)
Change in net assets without donor restrictions	18,707,317	5,700,754	244,421	11,003,592	23,576,289	59,232,373	(5,507)	59,226,866
Net assets without donor restrictions at beginning of year	75,613,207	56,676,403	3,675,240	63,413,894	115,227,211	314,605,955	5,019	314,610,974
Net assets (deficit) without donor restrictions at end of year	\$94,320,524	\$62,377,157	\$ 3,919,661	\$74,417,486	\$138,803,500	\$373,838,328	\$ (488)	\$373,837,840

See notes to consolidated financial statements.

THE KENSICO CEMETERY

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2022

	General Fund	Bequest and Endowment Principal Fund	Bequest and Endowment Surplus Income Fund	Permanent Maintenance Fund	Declaratory Maintenance Fund	Total Cemetery Funds	Friends of The Kensico Cemetery	Eliminations	Total
Support and revenue									
Lot, grave, crypt and niche sales	\$20,932,410	\$ -	\$ -	\$ -	\$ -	\$ 20,932,410	\$ -	\$ -	\$ 20,932,410
Transfers and reserves	(9,473,444)	-	-	3,144,947	-	(6,328,497)	-	-	(6,328,497)
Service department receipts	5,080,090	-	-	-	-	5,080,090	-	-	5,080,090
Investment return designated for current operations	(6,339,832)	-	1,130,180	1,221,349	364,100	(3,624,203)	-	-	(3,624,203)
Bequests and endowments received	-	177,359	-	-	-	177,359	-	-	177,359
Statutory contribution	-	-	-	78,295	-	78,295	-	-	78,295
Other	17,733	-	-	171	-	17,904	16,010	(15,000)	18,914
Total support and revenue	10,216,957	177,359	1,130,180	4,444,762	364,100	16,333,358	16,010	(15,000)	16,334,368
Interfund transfers	2,716,726	-	(1,131,277)	(1,221,349)	(364,100)	-	-	-	-
Total support and revenue recognized	12,933,683	177,359	(1,097)	3,223,413	-	16,333,358	16,010	(15,000)	16,334,368
Expenses									
Program services	7,446,878	-	-	-	-	7,446,878	2,581	-	7,449,459
Supporting services	6,527,177	-	-	-	-	6,527,177	8,410	(15,000)	6,520,587
Total expenses	13,974,055	-	-	-	-	13,974,055	10,991	(15,000)	13,970,046
Increase (decrease) in net assets without donor restrictions from operations before investment return and other changes	(1,040,372)	177,359	(1,097)	3,223,413	-	2,359,303	5,019	-	2,364,322
Investment return (deficit) in excess of amounts designated for current operations	-	(11,923,423)	(382,809)	(10,475,844)	(23,365,523)	(46,147,599)	-	-	(46,147,599)
Increase (decrease) in net assets without donor restrictions before other changes	(1,040,372)	(11,746,064)	(383,906)	(7,252,431)	(23,365,523)	(43,788,296)	5,019	-	(43,783,277)
Other changes									
Pension benefit liability adjustment	643,336	-	-	-	-	643,336	-	-	643,336
Other benefits liability adjustment	1,046,424	-	-	-	-	1,046,424	-	-	1,046,424
Other components of net periodic pension cost	675,149	-	-	-	-	675,149	-	-	675,149
Other components of net periodic postretirement cost	(204,033)	-	-	-	-	(204,033)	-	-	(204,033)
Change in net assets without donor restrictions	1,120,504	(11,746,064)	(383,906)	(7,252,431)	(23,365,523)	(41,627,420)	5,019	-	(41,622,401)
Net assets without donor restrictions at beginning of year	74,492,703	68,422,467	4,059,146	70,666,325	138,592,734	356,233,375	-	-	356,233,375
Net assets without donor restrictions at end of year	\$75,613,207	\$56,676,403	\$ 3,675,240	\$63,413,894	\$115,227,211	\$314,605,955	\$ 5,019	\$ -	\$314,610,974

See notes to consolidated financial statements.

THE KENSICO CEMETERY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2023

	Program Services					Supporting Services					Total				
	Interments	Lot Care and Planting	Foundations	Cleaning and Pointing	Cemetery Total	Friends of The Kensico Cemetery	Total	Security	Maintenance	Administration		Sales	Cemetery Total	Friends of The Kensico Cemetery	Total
Compensation															
Officers and directors	\$ 110,353	\$ 310,511	\$ 49,128	\$ -	\$ 469,992	\$ -	\$ 469,992	\$ -	\$ -	\$ 410,501	\$ 649,729	\$ 1,060,230	\$ -	\$ 1,060,230	\$ 1,530,222
Office	244,271	126,840	66,779	-	437,890	-	437,890	-	-	414,396	217,011	631,407	-	631,407	1,069,297
Ground crew	2,626,593	479,673	209,188	56,079	3,371,533	-	3,371,533	127,847	323,141	-	66,026	517,014	-	517,014	3,888,547
Salespersons	-	-	-	-	-	-	-	-	-	-	-	890,000	-	890,000	890,000
Payroll taxes and related expenses	1,231,331	352,132	138,931	22,798	1,745,192	-	1,745,192	52,846	128,385	261,140	701,495	1,143,866	-	1,143,866	2,889,058
Total salaries, wages and related expenses	4,212,548	1,269,156	464,026	78,877	6,024,607	-	6,024,607	180,693	451,526	1,086,037	2,524,261	4,242,517	-	4,242,517	10,267,124
Repairs and replacement															
Postage	3,668	2,958	5,054	-	11,680	-	11,680	-	22,776	-	1,098	23,874	-	23,874	35,554
Telephone	5,179	4,661	-	-	9,840	-	9,840	-	-	33,691	5,909	39,600	-	39,600	49,440
Supplies	4,836	4,353	-	-	9,189	-	9,189	222	-	4,902	5,380	10,504	7	10,511	19,700
Automobile operations	122,872	87,806	86,747	487	297,912	735	298,647	8,398	114,828	58,958	26,525	208,709	-	208,709	507,356
Professional fees	49,875	9,430	14,035	-	73,340	-	73,340	2,449	4,120	-	1,153	7,722	-	7,722	81,062
Dues and subscriptions	12,176	12,176	-	-	24,352	-	24,352	-	-	88,793	12,176	100,969	-	100,969	125,321
Depreciation and amortization	12,000	-	-	-	12,000	-	12,000	-	-	15,674	-	15,674	-	15,674	27,674
Outside services	86,251	28,264	17,425	-	133,940	-	133,940	-	147,877	11,985	17,877	177,739	-	177,739	311,679
Advertising costs	19,891	810,337	275	-	830,503	-	830,503	-	314,188	259,930	110,611	684,730	6,000	690,730	1,521,233
Other	-	-	-	-	-	-	-	-	-	-	-	391,545	-	391,545	391,545
	121,635	106,049	-	-	227,684	-	227,684	100	-	316,864	379,468	696,432	-	696,432	924,116
total expenses	\$ 4,652,931	\$ 2,335,190	\$ 587,562	\$ 79,364	\$ 7,655,047	\$ 735	\$ 7,655,782	\$ 191,862	\$ 1,055,316	\$ 1,876,834	\$ 3,476,003	\$ 6,606,015	\$ 6,007	\$ 6,606,022	\$ 14,261,804

See notes to consolidated financial statements.

THE KENSICO CEMETERY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2022

	Program Services					Supporting Services					Total				
	Interments	Lot Care and Planting	Foundations	Cleaning and Pointing	Cemetery Total	Friends of The Kensico Cemetery	Total	Security	Maintenance	Administration		Sales	Cemetery Total	Friends of The Kensico Cemetery	Total
Compensation	\$ 125,018	\$ 308,297	\$ 49,736	\$ -	\$ 483,051	\$ -	\$ 483,051	\$ -	\$ -	\$ 422,405	\$ 477,170	\$ 899,575	\$ -	\$ 899,575	\$ 1,382,626
Officers and directors	185,639	119,113	46,193	-	350,945	2,178	353,123	-	-	334,960	173,979	508,939	-	508,939	862,062
Office	2,520,082	525,756	191,772	42,686	3,280,296	-	3,280,296	126,256	213,994	-	71,993	412,243	-	412,243	3,692,539
Ground crew	-	-	-	-	-	-	-	-	-	-	1,255,426	1,255,426	-	1,255,426	1,255,426
Salespersons	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll taxes and related expenses	1,243,120	391,505	131,235	18,444	1,784,304	403	1,784,707	56,251	87,420	237,283	766,430	1,147,384	-	1,147,384	2,932,091
Total salaries, wages and related expenses	4,073,859	1,344,671	418,936	61,130	5,898,596	2,581	5,901,177	182,507	301,414	994,648	2,744,998	4,223,567	-	4,223,567	10,124,744
Repairs and replacement	2,330	1,167	2,652	-	6,149	-	6,149	-	11,943	-	303	12,246	-	12,246	18,395
Postage	1,768	1,571	-	-	3,339	-	3,339	-	-	31,868	2,065	33,933	-	33,933	37,272
Telephone	2,838	2,554	-	-	5,392	-	5,392	220	-	2,848	3,165	6,243	10	6,243	11,635
Supplies	89,185	92,717	80,960	1,007	263,869	-	263,869	8,995	105,028	45,578	39,426	199,027	-	199,027	462,896
Automobile operations	72,421	9,419	21,161	-	103,001	-	103,001	2,541	575	-	1,273	4,389	-	4,389	107,390
Professional fees	11,544	11,544	-	-	23,088	-	23,088	-	-	75,541	11,544	87,085	-	87,085	110,173
Dues and subscriptions	6,309	-	-	-	6,309	-	6,309	-	-	15,214	-	15,214	-	15,214	21,523
Depreciation and amortization	69,489	27,273	12,266	-	109,048	-	109,048	-	132,413	19,295	16,961	168,669	-	168,669	277,717
Outside services	22,909	785,523	222	-	809,654	-	809,654	-	319,595	119,193	108,500	547,288	8,400	555,688	1,365,342
Advertising costs	-	-	-	-	-	-	-	-	-	-	423,590	423,590	-	423,590	423,590
Other	116,991	101,442	-	-	218,433	-	218,433	100	-	405,717	400,119	805,936	-	805,936	1,024,369
Total expenses	\$ 4,469,643	\$ 2,378,881	\$ 536,217	\$ 62,137	\$ 7,446,878	\$ 2,581	\$ 7,449,459	\$ 194,363	\$ 870,968	\$ 1,709,902	\$ 3,751,944	\$ 6,527,177	\$ 8,410	\$ 6,535,587	\$ 13,985,046

See notes to consolidated financial statements

THE KENSICO CEMETERY
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Change in net assets	\$ 59,226,866	\$ (41,622,401)
Adjustments to reconcile change in net assets to net cash from operating activities		
Net realized gain on investments	(12,767,408)	(3,308,645)
Net unrealized (gain) loss on investments	(29,806,187)	60,677,779
Realized loss (gain) on disposal of assets	11,721	(500)
Depreciation and amortization	311,679	277,717
Pension benefit liability adjustment	(835,443)	(643,336)
Other benefits liability adjustment	(444,869)	(1,046,424)
Change in operating assets and liabilities		
Accounts receivable	(2,599,710)	30,903
Other receivables	(202,751)	(53,266)
Other assets	(795,519)	(4,497,791)
Unrecovered development costs	(53,701)	4,792,039
Accounts payable and accrued expenses	242,613	(156,241)
Retainage payable	-	(10,822)
Other liabilities	<u>711,447</u>	<u>(7,183)</u>
Net cash from operating activities	<u>12,998,738</u>	<u>14,431,829</u>
Cash flows from investing activities		
Purchase of investments	(96,914,774)	(88,561,983)
Sale of investments	91,753,955	69,242,212
Sale of equipment	15,500	500
Purchase of building improvements and equipment	<u>(897,563)</u>	<u>(160,719)</u>
Net cash from investing activities	<u>(6,042,882)</u>	<u>(19,479,990)</u>
Net change in cash and cash equivalents	6,955,856	(5,048,161)
Cash and cash equivalents at beginning of year	<u>11,919,029</u>	<u>16,967,190</u>
Cash and cash equivalents at end of year	<u>\$ 18,874,885</u>	<u>\$ 11,919,029</u>
Supplementary Non-Cash Information		
Disposal of fully depreciated buildings and equipment	\$ 39,795	\$ 3,161

See notes to consolidated financial statements.

THE KENSICO CEMETERY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Statement of Purpose and Accounting Policies

General

The Kensico Cemetery (the "Cemetery"), located in Valhalla, New York, is a not-for-profit, public cemetery, membership corporation which is regulated under New York State law. Prices for the sale of burial rights are posted in the Cemetery office and filed with the Division of Cemeteries of the State of New York. Charges for services rendered to lot owners are subject to approval by the State Cemetery Board (the "Board") and cannot be increased until an order is issued by the Board permitting such increase. The Cemetery estimates that based on historical sales and available developed and undeveloped property, it will generate revenue from lot, grave, crypt and niche sales for the next 35 to 60 years.

Friends of The Kensico Cemetery, Inc. ("Friends") was formed as a New York not-for-profit membership corporation with the Cemetery as the sole member. Friends is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Friends' primary purpose is to promote and advance the welfare of the Cemetery.

The accompanying consolidated financial statements include the accounts of the Cemetery and Friends (collectively, "the Organization").

Principles of Consolidation

Accounting principles generally accepted in the United States of America ("U.S. GAAP") require all organizations over which the Cemetery has both control and an economic interest to be accounted for as consolidated affiliates. All significant intercompany balances and transactions have been eliminated in consolidation.

Basis of Accounting and Use of Estimates

The accompanying consolidated financial statements have been prepared in accordance with U.S. GAAP, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of the contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Adoption of New Accounting Pronouncement

In June 2016, the Financial Accounting Standards Board issued an accounting pronouncement related to the measurement of credit losses on financial instruments. This pronouncement and subsequently issued Accounting Standards Updates, clarified certain provisions of the new guidance, changed the impairment model for most financial assets and required the use of an "expected loss" model for instruments measured at amortized cost. Under this model, entities are required to estimate the lifetime expected credit losses on such instruments and record an allowance to offset the amortized cost basis of the financial asset, resulting in a net presentation of the amount expected to be collected on the financial asset. The adoption of this guidance on January 1, 2023 expanded the Organization's required disclosures for its expected credit losses for accounts receivable but did not have a material effect on its consolidated financial statements.

THE KENSICO CEMETERY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

1. Statement of Purpose and Accounting Policies (Continued)

Net Asset Presentation

Net assets that are not subject to donor-imposed restrictions or restricted by state law may be expended for any purpose in performing the primary objectives of the Organization. Net assets with donor restrictions are subject to stipulations imposed by the donors. Donor restrictions are temporary in nature, satisfied by the passage of time or may be held in perpetuity. The Organization does not have net assets with donor-imposed restrictions.

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid debt instruments with maturities of three months or less, at the time of purchase.

Accounts Receivable and Allowance for Expected Credit Losses

An allowance for expected credit losses has not been established as the Organization has the requirement that all balances be paid in full before an interment can take place, no deed is issued until payment in full is received and the lot, grave, crypt or niche sale of burial rights can be cancelled and resold. For this same reason, the Organization has not recognized an allowance for expected credit losses.

Fair Value of Measurements of Financial Instruments

The Organization follows U.S. GAAP guidance on fair value measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist. Pursuant to U.S. GAAP guidance, alternative investments where fair value is measured using the Net Asset Value ("NAV") as a practical expedient for fair value are not categorized within the fair value hierarchy.

Investments and Investment Income Recognition

Investments are carried at fair value. The fair value of alternative investments has been estimated using the NAV as reported by the management of the respective alternative investment fund. U.S. GAAP guidance provides for the use of NAV as a "Practical Expedient" for estimating fair value of alternative investments. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

THE KENSICO CEMETERY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

1. **Statement of Purpose and Accounting Policies (Continued)**

Buildings and Equipment

Buildings and equipment are carried at cost and depreciated using the straight-line method over their estimated useful lives as follows:

Buildings and water system	5-50 years
Land improvements	20 years
Machinery and equipment	3-10 years
Office furniture and fixtures	3-10 years
Automobiles and trucks	2- 7 years

Development Costs

Costs incurred to develop land are capitalized. Such amounts are recovered as burial rights are sold.

Income Taxes

The Cemetery's tax-exempt status was judicially determined by the United States Board of Tax Appeals in The Kensico Cemetery v. Commissioner of the Internal Revenue 35 B.T.A. 498 (1936). This decision was affirmed on appeal in Commissioner of Internal Revenue v. Kensico Cemetery 96 F. 2d 594 (Second Cir. 1938) and in addition, the Cemetery, as a not-for-profit organization, as described in Internal Revenue Code Section 501 (c) (13), is exempt from federal income taxes under section 501 (a) of the Internal Revenue Code. Friends' tax-exempt status was determined by the Internal Revenue Service to be effective September 21, 2020 under Internal Revenue Code Section 501 (c) (3). Management has determined that the Organization had no uncertain tax positions that would require consolidated financial statement recognition or disclosure.

Revenue Recognition

The Organization follows U.S. GAAP revenue recognition guidance which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The core principle of the guidance is that an entity should recognize revenue from the transfer of promised goods or services to customers in an amount that reflects the consideration the entity expects to receive for those promised goods or services to customers. The guidance includes a five-step framework to determine the timing and amount of revenue to recognize related to contracts with customers.

The Cemetery has several revenue sources. The Cemetery recognizes revenue for sales of burial rights when an agreement is executed and recognizes revenue with respect to interment, foundation, special care or endowment services when the services are provided. Consequently, all performance obligations are satisfied at a point in time or over time within the Cemetery's year end.

THE KENSICO CEMETERY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

1. Statement of Purpose and Accounting Policies (Continued)

Revenue Recognition (continued)

The Cemetery does not recognize revenue until it is probable of collection and, based on the Cemetery's strong collection experience, the Cemetery has concluded that all revenue recognized is probable of collection. The Cemetery has applied a portfolio approach to evaluating the customer's ability to pay, rather than evaluating each customers' ability to pay separately.

Funds

The Cemetery has a General Fund and four non-donor restricted Endowment Funds:

The General Fund – includes all non-Endowment Fund activities.

The Bequest and Endowment Principal Fund - consists of funds received from lot owners for the care of their lots. Pursuant to New York State law, the principal of this fund is kept invested and the income (interest and dividends) from these investments is deposited in the Bequest and Endowment Surplus Income Fund to be used for the care of the endowed lots. Capital gains and losses from investments are added to or reduce the principal of the fund.

The Bequest and Endowment Surplus Income Fund – receives the income of The Bequest and Endowment Principal Fund, which income, together with income earned from the investments of the Bequest and Endowment Surplus Income Fund is used for the care of the endowed lots. Income not required to be expended in a given year is retained and carried forward for use in future years.

The Permanent Maintenance Fund - was established in 1949 as provided by New York State law. Effective July 1, 1992, the fund receives 15% of the gross proceeds from the sale of all lots, graves, crypts and niches. As also required by New York State law, effective January 1, 2001, the fund receives an additional \$35 for each interment. New York State law also provides that the principal of this fund shall remain inviolate except under limited circumstances, as set forth in the law. Income (interest and dividends) from the investments of this fund is deposited in the General Fund to be used for current maintenance of the Cemetery. Capital gains and losses from investments are added to or reduce the principal of the fund.

The Declaratory Maintenance Fund - was established in 1934 as provided in the judgment in an action in the Supreme Court, Westchester County, entitled The Kensico Cemetery, plaintiff against William H. Lyon, et al, defendants. Pursuant to the judgment, investments of the General Fund having a book value of \$147,551 were transferred to this fund. The judgment provides that the principal and income of this fund shall not be used for the general purposes of the Cemetery until the fund, including accumulated income, is in an amount sufficient to produce income to maintain in perpetuity the grounds of the Cemetery. This fund has been administered in accordance with the provisions of the judgment.

THE KENSICO CEMETERY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

1. Statement of Purpose and Accounting Policies (Continued)

Functional Expenses

The consolidated financial statements report certain categories of expenses that are attributable to more than one operating or supporting service. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation expenses, which are allocated on the basis of estimates of time and effort and other expenses that are allocated between program services which include interments, lot care, foundations, cleaning and pointing and planting and supporting services which include security, maintenance, administration and sales to the activity receiving the benefit.

Advertising Costs

Advertising costs are expensed as incurred. Total advertising costs for the years ended December 31, 2023 and 2022 approximated \$392,000 and \$424,000.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the consolidated financial statements through the date that the consolidated financial statements were available to be issued, which date is June 3, 2024.

2. Buildings and Equipment

Buildings and equipment at December 31 consisted of the following:

	2023	2022
Maintenance building	\$ 1,191,476	\$ 1,104,463
Mausoleum building and land	445,812	428,975
Water tower	513,011	513,011
Administration building	1,326,012	998,062
Land improvements	839,058	839,058
Water system	164,868	161,246
Machinery and equipment	1,745,196	1,490,488
Office furniture and fixtures	495,918	471,903
Automobiles and trucks	603,750	531,801
	<u>7,325,101</u>	<u>6,539,007</u>
Accumulated depreciation	<u>(4,968,148)</u>	<u>(4,740,717)</u>
	<u>\$ 2,356,953</u>	<u>\$ 1,798,290</u>

THE KENSICO CEMETERY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. Interested Persons

Two members of the Board of Directors are officers of companies which provide services to the Cemetery and two members of the Board of Directors have relationships with a firm which provides legal services to the Cemetery (one as a firm member and the other as of counsel). Transactions with these entities have been reviewed and approved by the Audit Committee in accordance with the Cemetery's Conflicts of Interest Policy. The following services were provided by such entities for the years ended December 31:

	2023	2022
Landscaping and supplies	\$ 89,271	\$ 57,447
Legal services	4,135	2,369
Investment management fees	<u>311,885</u>	<u>303,432</u>
	<u>\$ 405,291</u>	<u>\$ 363,248</u>

4. Concentrations of Credit Risk

Financial instruments that potentially subject the Cemetery to concentrations of credit risk consist principally of cash and investments. The Cemetery places its cash with various financial institutions and limits the amount of credit exposure by any one financial institution. At times, the cash balance may be in excess of the Federal Deposit Insurance Corporation insurance limit. Investments are diversified to reduce concentrations so that there is no significant concentration of credit risk.

5. Investments

The objective of the investment program is to produce ordinary income and capital appreciation sufficient to maintain the Cemetery currently and in perpetuity. The Cemetery's investment guidelines are as follows: for the Bequest and Endowment Surplus Income Fund, the account is managed with a target allocation of fixed income securities representing 100% of the total portfolio value; for the Declaratory Maintenance Fund, the accounts are managed with a target allocation of equity securities representing between 95% and 100% of the total portfolio value with no more than 10% of the total Declaratory Maintenance Fund committed to Private Equity Funds; and for the remaining funds, other than the General Fund account managed by Fenimore Asset Management, Inc. ("Fenimore") described below, the accounts are managed as a balanced portfolio with a target asset allocation of 50% in equity securities and 50% in fixed income securities and the Investment Manager has the discretion to vary the allocations to each of these asset classes between a maximum of 60% and a minimum of 40% of the total portfolio value based on the Manager's view of relative attractiveness of these two asset classes. The General Fund account managed by Fenimore is an exclusively Small-Cap and Mid-Cap equity portfolio with the Investment Manager having the discretion to allocate portions of the portfolio between these two asset classes as it deems fit. Investments in foreign equities may not exceed 25% of a fund's equity portfolio value and investments in non-US bonds may not exceed 25% of a fund's fixed income portfolio value. The Cemetery periodically reviews these guidelines within each fund, taking into account the current and future needs of the Cemetery and changing market conditions. The values of the investments will fluctuate as market conditions and asset allocations change and the amount of gain or loss in any subsequent period cannot be determined.

THE KENSICO CEMETERY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

5. Investments (Continued)

Investments at December 31, categorized by the fair value hierarchy, are as follows:

	2023	2022
<i>Level 1 (Quoted Prices in Active Markets for Identical Assets)</i>		
Equities		
US common stock	\$195,393,944	\$161,863,261
US small cap funds	10,631,973	9,639,932
US mid cap funds	15,470,614	12,916,676
Internationally developed	15,551,327	12,889,420
Emerging markets / growth	6,221,013	5,072,865
Select dividend funds	738,252	759,539
High dividend yield funds	2,349,812	2,277,820
Value funds	1,424,716	1,141,375
Commodities Index Trust	902,700	955,350
US Treasury bills and notes	37,756,386	35,292,448
	<u>286,440,737</u>	<u>242,808,686</u>
<i>Level 2 (Other Observable Inputs)</i>		
Corporate bonds	52,401,208	48,533,953
US government agency obligations	1,217,117	2,043,800
	<u>53,618,325</u>	<u>50,577,753</u>
Total by Levels	340,059,062	293,386,439
Alternative investments	1,061,791	-
Total Investments	<u>\$ 341,120,853</u>	<u>\$ 293,386,439</u>

As discussed in Note 2, alternative investments that are measured using the practical expedient are not classified within the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

During 2023, the Cemetery invested in private equity limited partnerships within its Declaratory Maintenance Fund. Private equity limited partnerships are closed investment vehicles which provide for no liquidity or redemption option and are not readily marketable. Information regarding alternative investments valued at NAV using the practical expedient at December 31, 2023 is as follows:

	Fair Value	Unfunded Commitments
Private equity fund	(a) \$ 674,320	\$ 1,370,000
Private equity investments	(b) 387,471	1,600,000
	<u>\$ 1,061,791</u>	<u>\$ 2,970,000</u>

THE KENSICO CEMETERY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

5. Investments (Continued)

The investment objective of the alternative investments is as follows:

- (a) The investment objective is to acquire, manage and dispose of investments in private equity funds that are focused on making buyout and growth capital investments.
- (b) The investment objective is to generate a superior risk-adjusted return with a diversified portfolio of quality private equity managers focused on acquiring and guiding high-growth, cash-flow positive companies.

The Cemetery's investment return is summarized as follows:

Year ended December 31, 2023:

	General Fund	Bequest and Endow Principal Fund	Bequest and Endow Surplus Income Fund	Permanent Maintenance Fund	Declaratory Maintenance Fund	Total
Dividends and interest, net of fees	\$ 3,360,564	\$ -	\$ 1,318,594	\$ 1,549,752	\$ 3,469,317	\$ 9,698,227
Fees chargeable to principal	-	(110,022)	-	(128,483)	-	(238,505)
Net realized and unrealized gains	<u>8,154,294</u>	<u>5,521,700</u>	<u>85,536</u>	<u>8,299,893</u>	<u>20,512,172</u>	<u>42,573,595</u>
Total Return on Investments	11,514,858	5,411,678	1,404,130	9,721,162	23,981,489	52,033,317
Investment return designated for current operations	<u>11,514,858</u>	<u>-</u>	<u>1,318,594</u>	<u>1,549,752</u>	<u>405,200</u>	<u>14,788,404</u>
Investment Return in Excess of Amounts Designated for Current Operations	<u>\$ -</u>	<u>\$ 5,411,678</u>	<u>\$ 85,536</u>	<u>\$ 8,171,410</u>	<u>\$ 23,576,289</u>	<u>\$ 37,244,913</u>

Year ended December 31, 2022:

	General Fund	Bequest and Endow Principal Fund	Bequest and Endow Surplus Income Fund	Permanent Maintenance Fund	Declaratory Maintenance Fund	Total
Dividends and interest, net of fees	\$ 2,609,264	\$ -	\$ 1,130,180	\$ 1,221,349	\$ 2,882,545	\$ 7,843,338
Fees chargeable to principal	-	(120,752)	-	(125,254)	-	(246,006)
Net realized and unrealized losses	<u>(8,949,096)</u>	<u>(11,802,671)</u>	<u>(382,809)</u>	<u>(10,350,590)</u>	<u>(25,883,968)</u>	<u>(57,369,134)</u>
Total Return on Investments	(6,339,832)	(11,923,423)	747,371	(9,254,495)	(23,001,423)	(49,771,802)
Investment return designated for current operations	<u>(6,339,832)</u>	<u>-</u>	<u>1,130,180</u>	<u>1,221,349</u>	<u>364,100</u>	<u>(3,624,203)</u>
Investment Return in Excess of Amounts Designated for Current Operations	<u>\$ -</u>	<u>\$ (11,923,423)</u>	<u>\$ (382,809)</u>	<u>\$ (10,475,844)</u>	<u>\$ (23,365,523)</u>	<u>\$ (46,147,599)</u>

The Bequest and Endowment Principal Fund earned dividends and interest, net of fees, totaling \$1,230,200 and \$1,061,695 that were transferred to the Bequest and Endowment Surplus Income Fund in 2023 and 2022.

Custodian and investment advisory fees of \$1,056,047 and \$1,030,781 were paid during 2023 and 2022, of which \$817,542 and \$784,775 were charged to income and \$238,505 and \$246,006 were charged to principal in 2023 and 2022. The percentage charged to principal in the Bequest and Endowment Principal Fund and the Permanent Maintenance Fund is in accordance with the applicable laws of the State of New York covering estates and trusts.

THE KENSICO CEMETERY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

6. Defined Benefit Pension and Postretirement Benefit Plans (the “Plans”)

The Cemetery has a formal noncontributory defined benefit pension plan (the “Pension Plan”) covering all eligible employees. The Cemetery funds at least the minimum amount required by applicable regulations based on funding requirements determined by consulting actuaries. The Cemetery currently reimburses eligible retirees and their spouses who elect to participate for the cost of comprehensive medical insurance, not to exceed \$200 per month per participant. The Cemetery expects to continue this reimbursement program in the future although it is under no obligation to do so. For measurement purposes, no annual health care cost trend rates are used for pre-age and post-age 65 benefits because covered medical expenses are not assumed to increase. The Cemetery also provides a death benefit of \$5,000 for eligible retirees who retired after December 31, 1994.

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
Projected Benefit obligation at December 31	\$ 13,538,153	\$ 12,861,667	\$ 2,427,276	\$ 2,910,649
Fair value of plan assets at December 31	19,470,920	17,157,798	-	-
Funded status	<u>\$ 5,932,767</u>	<u>\$ 4,296,131</u>	<u>\$ (2,427,276)</u>	<u>\$ (2,910,649)</u>
Accrued benefit cost recognized in the consolidated statement of financial position	\$ 5,932,767	\$ 4,296,131	\$ (2,427,276)	\$ (2,910,649)
Accumulated benefit obligation	12,671,145	12,010,628	2,427,276	2,910,649
Net periodic benefit cost (credit) recognized in the consolidated statement of activities	(101,193)	(290,724)	69,836	266,355
Amortization of amounts previously not recognized as a component of net periodic benefit cost	245,850	275,346	(88,064)	112,332
Employer contribution to plan during the year	700,000	700,000	108,340	97,000
Benefits paid during the year	680,189	591,858	108,340	97,000
Expected employer contributions to plan in 2024	700,000		169,927	
Weighted-average assumption of accumulated benefit obligation as of December 31				
Discount rate	4.75%	4.95%	4.74%	4.94%
Expected return on plan assets	7.00%	7.00%	N/A	N/A
Rate of compensation increase	3.00%	3.00%	N/A	N/A
Weighted-average assumption of net periodic cost as of December 31				
Discount rate	4.95%	2.55%	4.94%	2.55%
Expected return on plan assets	7.00%	7.00%	N/A	N/A
Rate of compensation increase	3.00%	3.00%	N/A	N/A

THE KENSICO CEMETERY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

6. Defined Benefit Pension and Postretirement Benefit Plans (the "Plans") (Continued)

The table below reflects the amounts recognized within the General Fund's net assets without donor restrictions arising from the Plans at December 31 that have not yet been recognized in net periodic benefit cost.

	Pension Benefits		Other Benefits	
	2023	2022	2023	2022
Unrecognized actuarial loss (gain)	\$ 2,619,372	\$ 3,448,882	\$ (856,960)	\$ (425,083)
Unrecognized prior service cost	-	5,933	-	12,992
	<u>\$ 2,619,372</u>	<u>\$ 3,454,815</u>	<u>\$ (856,960)</u>	<u>\$ (412,091)</u>

The table below reflects the amounts recognized within the General Fund's net assets without donor restrictions arising from the Plans at December 31, 2023 that are expected to be recognized in net periodic benefit cost during the year ending December 31, 2024.

	Pension Benefits	Other Benefits
Unrecognized actuarial loss (gain)	<u>\$ 85,641</u>	<u>\$ (80,187)</u>

The following table shows estimated future benefit payments expected to be paid from the Plans for the next ten years in the years ending December 31:

Year	Pension Benefits	Other Benefits
2024	\$ 868,168	\$ 169,927
2025	894,499	171,973
2026	904,889	173,454
2027	900,169	170,466
2028	910,169	169,987
2029 - 2033	4,687,215	863,097

The Cemetery's overall expected long-term rate of return on Pension Plan assets is 7.00%. The expected long-term rate of return is based on the portfolio as a whole and not on the sum of returns on individual asset categories. The return is based exclusively on historical returns, without adjustments and expected future returns of the various asset classes using the target allocations.

THE KENSICO CEMETERY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

6. Defined Benefit Pension and Postretirement Benefit Plans (the “Plans”) (Continued)

Pension Plan Assets

The investment guidelines for the Pension Plan provide that the pension assets are to be managed on a balanced portfolio basis with a target allocation of 50% equity securities and 50% fixed income securities. The Trustee has the discretion to vary the allocations to each of these asset classes between a maximum of 60% and a minimum of 40% of the total portfolio value based on the Trustee's view of relative attractiveness of these two asset classes. The guidelines limit investment in foreign equities to 25% of the equity portfolio value and non U.S. bonds to 25% of the fixed income portfolio value. The investment allocation is reviewed periodically and revisions may be made from time to time to reflect changing market conditions and performance results.

The Pension Plan's assets at December 31, categorized by the fair value hierarchy, are as follows:

	2023	2022
<i>Level 1 (Quoted Prices in Active Markets for Identical Assets)</i>		
Cash and Cash equivalent	\$ 1,117,699	\$ 409,720
Equities - Exchange traded funds	10,612,424	9,345,000
US Treasury notes	4,999,915	4,489,559
Total Level 1 Assets	16,730,038	14,244,279
<i>Level 2 (Other Observable Inputs)</i>		
Corporate bonds	2,740,882	2,913,519
	<u>\$ 19,470,920</u>	<u>\$ 17,157,798</u>

7. Commitments and Contingencies

The Garden Mausoleum at Montross Pond

In 2016, the Cemetery began construction of the Garden Mausoleum containing 732 crypts and 2,028 niches. Construction was completed in 2022 with a total cost of \$4,717,730 that will be recovered as the burial rights in crypts and niches are sold. The sale of burial rights in crypts and niches within the Garden Mausoleum commenced in June 2022.

New York State Sales Tax

In 2016, issues related to the application of the New York State Sales Tax to sales by cemeteries were raised as a result of a random audit of a cemetery. The New York State Association of Cemeteries is engaged in an effort to clarify the issues and to advocate for the enactment of special legislation to exempt sales by cemeteries. Management is considering the impact of the matter on the Cemetery and is awaiting clarification and further developments before proceeding.

THE KENSICO CEMETERY and AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

8. Liquidity and Availability of Financial Assets

As described in Note 1, the General Fund assets of the Cemetery are available for operations. Additionally, included in the Cemetery's operating budget is the estimated income and dividends, net of fees of approximately \$3 million, to be earned on approximately \$66 million of investments in the Bequest and Endowment Principal and Surplus Income Funds, which is to be used for the care of endowed lots, and on approximately \$71 million of investments in the Permanent Maintenance Fund, which is to be used for the current care and maintenance of the Cemetery. As part of liquidity management, the Cemetery invests cash in the General Fund in excess of one month's requirement in short term investments. Although the Cemetery does not intend to spend from the net assets of its General Fund other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation, amounts could be made available if necessary. In addition, management has determined that there are no conditions or events considered in the aggregate, that raise substantial doubt about the Cemetery's ability to continue its operations within one year from the date these consolidated financial statements were available to be issued and beyond. General Fund financial assets which can be liquidated within one year of the consolidated statement of financial position dates for general expenditure are as follows:

	2023	2022
Cash and cash equivalents	\$ 9,784,764	\$ 7,475,873
Accounts and other receivables due within one year	2,663,300	1,050,000
Accrued investment income receivable	726,400	605,700
Investments	<u>70,693,658</u>	<u>58,829,430</u>
Financial assets at year end available to meet cash		
needs for general expenditures within one year	<u>\$ 83,868,122</u>	<u>\$67,961,003</u>

9. Risks and Uncertainties

Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term and that such changes could materially affect investment balances and amounts reported in the consolidated statements of financial position.

The effects of economic and market conditions subsequent to December 31, 2023 are not reflected in these consolidated financial statements.

The value of the Pension Plan's investments has a direct impact on its funded status. The actual impact on the Pension Plan's funded status and future required contributions cannot be determined at this time.

Officers

*President, Chief Executive Officer,
and Counsel*
Matthew G. Parisi

Vice President and Superintendent
Michael H. Cook, Jr.

*Vice President, Chief Financial Officer,
and Treasurer*
Theresa M. Doran

*Vice President, and Sales
and Development Manager*
Michael J. Farmer

Board of Directors

Secretary
Mary Ann Alonso

Kevin J. Bannon

Catherine U. Biddle

Raymond Lou

Matthew G. Parisi

Elizabeth Payne

Chairman
Raymond M. Planell

Vice Chairman
Richard A. Schnall

Howard Weintraub

Superintendents

Superintendent
Michael H. Cook, Jr.

Deputy Superintendents
Jack Cunha
Joaquim Pedrosa

Assistant Superintendents
Carlos Lopes
Joe Sabio

Other Kensico Numbers to Know

History

Kensico Cemetery Established.....	1889
Administration Building Built.....	1890
Community Mausoleum Built	1925
Tower Built	1928
Sharon Gardens Opened	1953
Total Acres	461
Acres Develope	380

Activity

First Interment.....	9.1.1889
Interments 1889-2023:	
Kensico Cemetery	140,478
Sharon Gardens	32,121
2023 New Lot Sales	\$21,712,040
Estimated Years Until Sold Out.....	35-50

Throughout the Grounds

Number of Employees.....	64
Number of Mausoleums	425
Miles of Roads Throughout Grounds	16
Highest Point on Kensico Grounds	538
(Feet above sea level/Tower Entrance)	

Financial Indicator

Amount of Debt.....	\$0
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Creative Director/Editor/Photographer: Judith C. Mitchell Black Forest Communications, Inc.
Graphic Designer: Bill Tucker



The Kensico Cemetery
273 Lakeview Avenue, P.O. Box 7, Valhalla, NY 10595
1-888-KENSICO 1-888-536-7426 Fax: 914-949-0803
www.kensico.org www.sharongardens.org e-mail: kensico@kensico.org