

Kenneth C. Griffin Museum of Science and Industry

Financial Statements
As of and for the Years Ended
December 31, 2025 and 2024
and Independent Auditor's Report

Contents

Independent auditor's report	1-2
<hr/>	
Financial statements	
Statements of financial position	3
Statements of activities and changes in net assets	4-5
Statements of cash flows	6
Notes to financial statements	7-23

Independent Auditor's Report

Board of Trustees
Kenneth C. Griffin Museum of Science and Industry

Opinion

We have audited the financial statements of the Kenneth C. Griffin Museum of Science and Industry (the Museum), which comprise the statements of financial position as of December 31, 2025 and 2024, the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Museum as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Museum 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 Museum's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Museum'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 Museum's ability to continue as a going concern for a reasonable period of time.

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

RSM US LLP

Chicago, Illinois
May 26, 2026

Kenneth C. Griffin Museum of Science and Industry

**Statements of Financial Position
December 31, 2025 and 2024**

	2025	2024
Assets		
Cash	\$ 3,455,265	\$ 3,245,388
Operating investments	59,949,338	52,319,033
Pledges receivable, net	4,254,526	4,982,082
Accounts receivable	2,695,827	2,394,323
Other assets	4,755,099	5,991,887
Long-term investments	251,200,035	215,307,945
Museum properties, net	146,250,195	148,793,814
Total assets	\$ 472,560,285	\$ 433,034,472
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued liabilities	\$ 7,377,976	\$ 6,496,621
Bonds payable, net of unamortized financing fees	29,737,751	29,705,993
Deferred revenue	11,818,187	12,589,370
Other liabilities	1,467,474	1,299,898
Total liabilities	50,401,388	50,091,882
Net assets:		
Without donor restrictions	348,410,121	318,208,919
With donor restrictions	73,748,776	64,733,671
Total net assets	422,158,897	382,942,590
Total liabilities and net assets	\$ 472,560,285	\$ 433,034,472

See notes to financial statements.

Kenneth C. Griffin Museum of Science and Industry

**Statement of Activities and Changes in Net Assets
Year Ended December 31, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
Operating income:			
Revenue and support:			
Admissions	\$ 18,091,028	\$ -	\$ 18,091,028
Special exhibits	4,764,035	-	4,764,035
Ancillary services	9,107,348	-	9,107,348
Membership	4,063,896	-	4,063,896
Government support	4,425,004	31,650	4,456,654
Private support	5,753,957	13,900,103	19,654,060
Private support—in-kind	356,535	-	356,535
Investment return designated for operations	5,402,000	898,010	6,300,010
Other income	3,443,955	10,549	3,454,504
Net assets released from restrictions	10,078,586	(10,078,586)	-
Total revenue and support	65,486,344	4,761,726	70,248,070
Expenses:			
Exhibits and public programs	27,559,354	-	27,559,354
Education programs	8,323,873	-	8,323,873
Guest services	5,546,543	-	5,546,543
Retail and supporting services	2,075,597	-	2,075,597
Membership	846,286	-	846,286
Development	4,293,735	-	4,293,735
Management and general	6,234,550	-	6,234,550
Expenses before depreciation and interest	54,879,938	-	54,879,938
Depreciation	12,005,505	-	12,005,505
Interest	554,114	-	554,114
Total expenses	67,439,557	-	67,439,557
Operating (loss) income, including depreciation and interest expense	(1,953,213)	4,761,726	2,808,513
Non-operating income (loss):			
Gain on long-term investments, net, after investment return designated for operations	32,305,184	4,269,379	36,574,563
Other loss, net	(150,769)	(16,000)	(166,769)
Total non-operating income, net	32,154,415	4,253,379	36,407,794
Change in net assets	30,201,202	9,015,105	39,216,307
Net assets, beginning of year	318,208,919	64,733,671	382,942,590
Net assets, end of year	\$ 348,410,121	\$ 73,748,776	\$ 422,158,897

See notes to financial statements.

Kenneth C. Griffin Museum of Science and Industry

**Statement of Activities and Changes in Net Assets
Year Ended December 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
Operating income:			
Revenue and support:			
Admissions	\$ 16,793,557	\$ -	\$ 16,793,557
Special exhibits	2,877,144	-	2,877,144
Ancillary services	8,782,296	-	8,782,296
Membership	4,318,156	-	4,318,156
Government support	4,835,887	1,860,308	6,696,195
Private support	4,885,865	7,771,053	12,656,918
Private support—in-kind	604,813	-	604,813
Investment return designated for operations	4,725,000	920,000	5,645,000
Other income	2,896,699	-	2,896,699
Net assets released from restrictions	16,427,234	(16,427,234)	-
Total revenue and support	67,146,651	(5,875,873)	61,270,778
Expenses:			
Exhibits and public programs	25,832,094	-	25,832,094
Education programs	8,538,330	-	8,538,330
Guest services	4,887,481	-	4,887,481
Retail and supporting services	1,941,561	-	1,941,561
Membership	709,432	-	709,432
Development	4,404,260	-	4,404,260
Management and general	5,563,178	-	5,563,178
Expenses before depreciation and interest	51,876,336	-	51,876,336
Depreciation	11,607,816	-	11,607,816
Interest	607,131	-	607,131
Total expenses	64,091,283	-	64,091,283
Operating income (loss), including depreciation and interest expense	3,055,368	(5,875,873)	(2,820,505)
Non-operating income (loss):			
Gain on long-term investments, net, after investment return designated for operations	14,964,587	1,686,721	16,651,308
Other loss, net	(657,272)	34,280	(622,992)
Total non-operating income, net	14,307,315	1,721,001	16,028,316
Change in net assets	17,362,683	(4,154,872)	13,207,811
Net assets, beginning of year	300,846,236	68,888,543	369,734,779
Net assets, end of year	\$ 318,208,919	\$ 64,733,671	\$ 382,942,590

See notes to financial statements.

Kenneth C. Griffin Museum of Science and Industry

Statements of Cash Flows Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	\$ 39,216,307	\$ 13,207,811
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	12,005,505	11,607,816
Amortization of debt issuance costs	31,758	28,439
Bad debt expense	20,000	700,000
Loss on debt extinguishment	-	302,979
Change in value of interest rate swap	1,030,981	(78,499)
Gain on disposal of fixed assets	(890,955)	(151,060)
Net realized and unrealized gains on investments	(39,185,791)	(17,937,320)
Gifts restricted for permanent endowment	(60,058)	(21,213)
Gifts restricted for acquisition of Museum properties	(8,708,140)	(144,154)
Changes in operating assets and liabilities:		
Pledges receivable, net	(42,444)	992,906
Accounts receivable	(301,504)	(524,790)
Other assets	205,807	774,251
Accounts payable and accrued liabilities	(1,070,664)	(2,243,689)
Deferred revenue	(771,183)	(1,338,115)
Other liabilities	167,576	154,699
Net cash provided by operating activities	1,647,195	5,330,061
Cash flows from investing activities:		
Purchase of investments	(205,925,206)	(221,771,894)
Proceeds from sale of investments	201,588,602	225,013,137
Purchase of Museum properties	(8,195,903)	(10,274,976)
Proceeds from sale of Museum properties	300,000	-
Proceeds from insurance claims	1,276,991	292,491
Net cash used in investing activities	(10,955,516)	(6,741,242)
Cash flows from financing activities:		
Payment of debt issuance costs	-	(317,064)
Proceeds from gifts restricted for permanent endowment	60,058	21,213
Proceeds from gifts restricted for acquisition of Museum properties	9,458,140	1,894,154
Net cash provided by financing activities	9,518,198	1,598,303
Net increase in cash	209,877	187,122
Cash:		
Beginning of year	3,245,388	3,058,266
End of year	\$ 3,455,265	\$ 3,245,388
Supplemental disclosures of cash flow information:		
Interest paid	\$ 1,177,556	\$ 1,376,413
Accounts payable and accrued liabilities for Museum properties	\$ 1,952,019	\$ 1,038,579

See notes to financial statements.

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 1. Description of Organization

Kenneth C. Griffin Museum of Science and Industry (the “Museum” or “Griffin Museum of Science and Industry”), a 501(c)(3) corporation, is one of the largest science museums in the world and home to thousands of artifacts. For 93 years, the Museum has been a premier destination in Chicago, Illinois. The Museum’s mission is to inspire the inventive genius in everyone and its vision is engraved in the Museum’s historic Rotunda —science discerns the laws of nature, industry applies them to the needs of humankind. The Museum welcomes over 1.5 million guests annually and is the top Chicago field trip destination for students. The Museum engages over half a million participants annually through science, technology, engineering, art and math (STE(A)M) education programs.

The Museum features world-class permanent exhibitions that inspire and excite guests and imbue interest in STE(A)M. In Science Storms, guests can experience the extraordinary science behind some of nature’s most powerful and compelling phenomena. Visitors can step aboard the U-505 Submarine to learn about the only German U-boat captured during World War II, surrounded by historic artifacts and interactive activities. Guests can also take a real hoist 50 feet down to the Coal Mine, a reproduction of an Illinois mineshaft that first opened along with the Museum in 1933. In the Henry Crown Space Center, where guests can explore and understand the cosmos and see groundbreaking spacecrafts. And Griffin Studio is an immersive multimedia space offering state-of-the-art technology to host dynamic and ever-changing exhibits.

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The financial statements have been prepared using the accrual basis of accounting. The Museum classifies its net assets, revenue, gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Museum are reported as follows:

Without donor restrictions: Net assets that are not subject to donor-directed restrictions. Items that affect this net asset category principally consist of attendance-driven revenues and related expenses associated with the core activities of the Museum: general admission, special exhibitions, retail and guest services. In addition to these exchange transactions, changes in this category of net assets include investment returns on funds functioning as endowments and philanthropic support (government support, private support, and memberships) that are free of donor-directed restrictions.

With donor restrictions: Net assets subject to donor-directed restrictions that will be met either by actions of the Museum or the passage of time. Items that affect this net asset category are gifts for which donors have directed the use of funds toward areas of importance to the Museum’s mission, including education, exhibitions, building preservation and strategic initiatives. Also included in this category are net assets subject to donor-directed restrictions to be maintained permanently by the Museum, including gifts and pledges to the Museum’s endowment fund. Generally, the donors of these assets permit the Museum to use all or part of the income earned on related investments for specific purposes.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Collections: The Museum’s permanent collections, which were acquired since the Museum’s inception through purchases and contributions from benefactors, are not recognized as assets on the statements of financial position. Purchases of collection items are recorded as decreases in net assets without donor restrictions in the year in which the items are acquired or as decreases in net assets with donor restrictions if the assets used to purchase the items were restricted by donors. Contributed collection items are not reflected in the financial statements.

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

The Museum's collections are made up of artifacts of historical significance, scientific specimens and art objects that are held for educational, research, scientific and curatorial purposes. Each of the items is cataloged, preserved and cared for, and activities verifying the items' existence and assessing their condition are performed continuously. The collections are subject to the Museum's policy that requires proceeds from their sales be used for direct care of existing artifacts or to acquire other items for collections. Direct care is defined as investing in existing collections by enhancing their life, usefulness or quality and thereby ensuring they will continue to benefit the public.

Cash: The Museum had deposits at financial institutions in excess of federally insured limits at December 31, 2025 and 2024. However, the Museum has not experienced any losses in these accounts and believes that it is not exposed to any significant credit risk.

Investments: Investments are presented in the financial statements at fair value in accordance with U.S. GAAP. Investment income, realized gains (losses), and changes in unrealized gains (losses) are reflected in the statements of activities and changes in net assets. Investments received as contributions are recorded at fair value at the date of receipt. Investments are classified as either operating or long-term, based on intended use.

The Museum's investment portfolio is subject to various risks, such as interest rate, credit and overall market volatility. Because of these risks, it is possible that changes in the fair value of investments may occur and that such changes could materially affect the Museum's financial statements.

Pledges receivable: Pledges receivable are recorded in the period during which the pledge is received. Pledges to be collected after one year are discounted to present value using an annual rate commensurate with the risk involved. Amortization of the discount is recorded as private support in the statements of activities and changes in net assets.

Pledges are recorded net of an allowance for uncollectible amounts. The Museum determines its allowance for uncollectible amounts by considering a number of factors, including the length of time receivables are past due, previous collection history, the donor's current ability to pay, and the condition of the general economy and industry as a whole. The Museum writes off pledges receivable that have become uncollectible.

Accounts receivable: Performance obligations fulfilled in advance of payments from customers is recorded as accounts receivable. Accounts receivable from contracts with customers was \$1,428,595 and \$912,601 at December 31, 2025 and 2024, respectively. The opening balance at January 1, 2024, was \$577,848. Accounts receivable also includes government support receivables for programs where the conditions have been met and the Museum is entitled to the assets. Government support receivables were \$2,832 and \$1,481,722 at December 31, 2025 and 2024, respectively. At December 31, 2025 and 2024, accounts receivable also includes \$1,264,400 and \$0, respectively, of the Chicago Park District's tax levy ordinance allocation which were not yet collected. Based on analysis of historical collections and consideration of current economic conditions, no allowance for doubtful accounts was deemed necessary as of December 31, 2025 and 2024, respectively.

Interest in charitable trusts: The Museum is the designated beneficiary of certain trusts held by third parties. For trusts that are irrevocable, the Museum records an asset equal to the fair value of its beneficial interest in these trusts, included in other assets on the statements of financial position. For trusts in which the Museum does not have an irrevocable interest (i.e., the trust has variance power), the value of the trust is not included in the financial statements.

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Museum properties: The legal title to the Museum's land and original building is vested with the Chicago Park District. The sole and permanent right to the use and occupancy of the land and original building rests with the Museum under an agreement that extends in perpetuity as long as the Museum uses the property for the purposes under which it is incorporated.

Museum properties of \$10,000 or greater are recorded at cost and depreciated on a straight-line basis over the assets' estimated useful lives as follows:

Asset description	Life
Exhibits	3 to 10 years
Building improvements	15 to 30 years
Underground garage	40 years
Equipment, furniture and fixtures	3 to 10 years
Henry Crown Space Center	40 years

The carrying values of the Museum's properties are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended December 31, 2025 and 2024.

Deferred revenue: Payments received in advance of the Museum satisfying its performance obligations are recorded as deferred revenue. The primary component of deferred revenue relates to multi-year agreements with third-party operators for foodservice, catering, and retail stores. In exchange for the right to operate these services, the parties have provided upfront payments to the Museum to fund capital improvements. Cumulatively through December 31, 2025 and 2024, the Museum had received \$12,833,742 in payments related to these agreements, which have a remaining term of approximately 11 years. Revenue from these payments is being recognized ratably over the life of the agreements and totaled \$1,013,575 for each of 2025 and 2024. Deferred revenue related to these agreements at December 31, 2025 and 2024, was \$9,250,342 and \$10,263,917, respectively. The remaining amounts in deferred revenue relate to funds received for membership revenue in advance of satisfying performance obligations, which is expected to occur in the following year. The opening balance of deferred revenue at January 1, 2024, was \$13,927,485.

Asset retirement obligations: U.S. GAAP requires the current recognition of a liability when a legal obligation exists relative to an asset retirement in which the timing or method of settlement are conditional and/or based on a future event that may or may not be under the control of the entity. The Illinois Commercial and Public Building Asbestos Abatement Act requires the controlled removal or encapsulation of asbestos by a licensed contractor in commercial and public buildings, including renovation and partial or complete demolition activities.

An asset retirement obligation (ARO) liability was recognized at its net present value, with recognition of a related long-lived asset in a corresponding amount. The ARO liability is accreted through periodic charges to accretion expense. The Museum has estimated its asbestos removal cost to be \$501,950 and \$505,829 at December 31, 2025 and 2024, respectively. The Museum's estimate represents the present value of anticipated costs of asbestos abatement utilizing a discount rate of 5% and the projected year of removal based on the Museum's capital plan or an estimated future date. The liability is included within other liabilities on the statements of financial position.

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Revenue recognition: The Museum recognizes revenue for admissions, special exhibits, ancillary services and memberships based on the satisfaction of performance obligations. Performance obligations are determined based on the service provided by the Museum. The following explains the performance obligations related to each revenue stream and how they are recognized. The revenue streams noted below do not include significant financing components as performance obligations are satisfied within a year of receipt of payment. In addition, there are no consideration amounts that are variable.

Admissions and special exhibits: Revenue from ticket sales, events, and group admissions is recognized on the date of visit. Payment is collected at the time of purchase.

Ancillary services: The Museum receives revenue from various ancillary services, including commissions for food sales, retail store purchases and special events. The Museum recognizes revenue for purchases of goods and food commissions at the point in time when the sale occurs. Revenue from special events is recognized when the event occurs. Commission payments are generally due within 15 to 30 days following the month in which the revenue is earned.

Memberships: The Museum receives revenue from various levels of membership. Membership benefits include free admission to the Museum and invitations to attend special member events. The portion of the membership related to Museum admission is recognized over the membership period. The portion related to special events is recognized when the event occurs. Certain membership levels contain a contribution element, which is recognized as private support revenue upon receipt of payment. Payment for all membership levels is collected at the time of purchase. Revenue from memberships that is being recognized ratably over the life of the memberships totaled \$3,726,708 and \$3,975,920 for 2025 and 2024, respectively. Revenue from memberships that relates to special events totaled \$337,188 and \$343,003 for 2025 and 2024, respectively.

Government support: The Museum receives support from the Chicago Park District based upon the annual tax levy ordinance of the Park District, as well as funding from various federal and state agencies for research, programming, and capital projects. Support from the Park District is recognized in the year funds are allocated to the Museum and amounted to \$4,425,004 and \$4,835,887 for the years ended December 31, 2025 and 2024, respectively. Funds allocated but not yet received by the Museum are recorded as accounts receivable on the statements of financial position. Other funding from federal and state agencies is primarily conditional contributions in which revenues are recognized as qualifying expenditures are incurred.

Private support: Contributions are recognized in the period received. The Museum recognizes donors' unconditional promises to give cash and other assets as revenue in the period the promises are made. Conditional pledges are not recognized as revenue until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at estimated fair value. Funding for specific programs is restricted and classified as net assets with donor restrictions and released from restriction as expenses are incurred. Funding for the purchase or construction of capital projects are restricted and classified as net assets with donor restrictions and released when the asset is placed into service or according to the terms of the donor agreement, if more specific.

Gains and losses on other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or law.

In-kind contributions: The financial statements reflect amounts for the value of in-kind contributions for which an objective basis is available to measure their value. The Museum has recorded in-kind contributions at their estimated fair values of \$356,535 and \$604,813 in 2025 and 2024, respectively. The majority of both 2025 and 2024 relates to utilized advertising in support of exhibits and public programs.

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Volunteers contributed approximately 12,300 and 13,200 hours to the Museum in 2025 and 2024, respectively. The volunteers provided various services throughout the Museum. These services do not meet the criteria for financial statement recognition and, accordingly, the value of these services has not been reported in the financial statements.

Advertising expense: Advertising expense is recorded in the period in which the advertising first takes place. Advertising expense was \$2,131,815 and \$2,070,555 for the years ended December 31, 2025 and 2024, respectively.

Income tax: The Financial Accounting Standards Board issued guidance requiring tax effects from uncertain tax positions to be recognized in the financial statements only if the position is more likely than not to be sustained should the position be challenged by a taxing authority. Management believes that there are no material uncertain positions that require recognition in the financial statements. There are no tax positions for which a material change in any unrecognized tax benefit or liability is reasonably possible in the next 12 months.

The Museum has federal net operating loss carryforwards available to offset future unrelated business taxable income. The net operating loss carryforwards expire through 2045 and total approximately \$2,309,000 and \$2,037,000 at December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, management has determined the likelihood of realizing the benefit from a future utilization of the net operating loss carryforwards is uncertain. Therefore, a 100% valuation allowance has been applied to the deferred tax assets associated with the net operating loss carryforwards of approximately \$704,000 and \$621,000 at December 31, 2025 and 2024, respectively.

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

Adopted accounting pronouncements: In 2025, the Museum early adopted Accounting Standards Update (ASU) 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The ASU introduces a practical expedient and, for entities other than public business entities, an accounting policy election to simplify the application of Topic 326, *Financial Instruments—Credit Losses*, to current accounts receivable and current contract assets arising from revenue transactions accounted for under Topic 606, *Revenue from Contracts with Customers*. ASU 2025-05 is effective prospectively. This ASU is effective for all entities for annual reporting periods beginning after December 15, 2025, with early adoption is permitted. The adoption of this standard did not have a significant impact on the Museum's financial statements.

Reclassifications: Certain 2024 amounts have been reclassified to conform to the current year presentation. These reclassifications have no effect on net assets or changes in net assets previously reported.

Subsequent events: The Museum evaluated its December 31, 2025 financial statements for subsequent events through May 26, 2026, the date the financial statements were available to be issued.

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 3. Financial Assets and Liquidity Resources

	2025	2024
Financial assets at year-end:		
Cash	\$ 3,455,265	\$ 3,245,388
Operating investments	59,949,338	52,319,033
Pledges receivable	4,254,526	4,982,082
Accounts receivable	2,695,827	2,394,323
Long-term investments	251,200,035	215,307,945
Total financial assets	<u>321,554,991</u>	<u>278,248,771</u>
Less amounts not available to be used within one year:		
Pledges receivable for restricted gifts, net	(4,047,556)	(4,651,568)
Pledges receivable for operations due after one year, net	(104,308)	(30,090)
Long-term investments, net of budgeted investment return designated for operations	<u>(243,800,035)</u>	<u>(209,007,945)</u>
Total financial assets available within one year	73,603,092	64,559,168
Liquidity resources:		
Bank lines of credit	<u>15,000,000</u>	<u>15,000,000</u>
Total financial assets and liquidity resources available within one year	<u><u>\$ 88,603,092</u></u>	<u><u>\$ 79,559,168</u></u>

The Museum's cash flows have variations due to the seasonality of admissions revenue and a concentration of private support received at year-end. To manage its cash position, the Museum has various sources of liquidity at its disposal, including cash, short-term investments, as well as a \$15,000,000 working capital line of credit.

In addition to financial assets and liquidity resources available within one year, the Museum operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

Note 4. Investments

Operating investments consisted of the following at December 31:

	2025	2024
Money market fund	\$ 17,140,652	\$ 25,581,782
United States treasuries	12,676,002	24,741,658
Common and preferred stocks	7,625,663	1,995,593
Short-term investment fund	1,032,488	-
Equity funds:		
Domestic	13,704,933	-
International	5,822,217	-
Natural resources	451,509	-
Fixed income funds	1,495,874	-
Total operating investments	<u><u>\$ 59,949,338</u></u>	<u><u>\$ 52,319,033</u></u>

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 4. Investments (Continued)

In 2025, the Museum allocated a portion of its operating investments to equity and fixed income funds in order to meet its risk return objectives.

Long-term investments consisted of the following at December 31:

	2025	2024
Short-term investment fund	\$ 4,211,721	\$ 1,909,518
Common and preferred stocks	52,314,927	19,154,583
Equity funds:		
Domestic	95,709,934	71,138,665
International	41,299,185	58,549,120
Natural resources	3,155,345	1,674,573
Real estate	-	10,555,472
Private equity	44,278,496	31,913,736
Fixed income funds	10,230,427	20,412,278
Total long-term investments	<u>\$ 251,200,035</u>	<u>\$ 215,307,945</u>

The trustees of the Museum have authorized a portion of the cumulative investment return for support of current operations. The remainder is retained to support operations of future years and to offset potential market declines. The following schedule summarizes the investment return (loss) and its classification in the statements of activities and changes in net assets:

	2025	2024
Investment return:		
Interest and dividends	\$ 4,303,051	\$ 5,021,061
Net realized and unrealized gains	39,185,791	17,937,320
Management fees	(614,269)	(662,073)
Total investment return, net	<u>\$ 42,874,573</u>	<u>\$ 22,296,308</u>

Classification in the statements of activities and changes in net assets:

Investment return designated for operations	\$ 6,300,010	\$ 5,645,000
Investment return, after amount designated for operations	36,574,563	16,651,308
Total investment return, net	<u>\$ 42,874,573</u>	<u>\$ 22,296,308</u>

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 5. Fair Value Disclosures

The Museum follows U.S. GAAP on fair value measurements and disclosures, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

- Level 1:** Quoted prices are available in active markets for identical assets or liabilities as of the report date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2:** Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the report date. The nature of these securities includes investments for which quoted prices are available but which are traded less frequently and investments that are fairly valued using other securities, the parameters of which can be directly observed.
- Level 3:** Securities that have little to no pricing observability as of the report date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes observable data requires significant judgment by the Museum. The Museum considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the fair value hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Museum's perceived risk of that instrument.

Investments with values that are based on quoted market prices in active markets are classified within Level 1 of the hierarchy. These include investments in money market funds, short term investment funds, U.S. treasuries, stocks, fixed-income funds and equity funds.

The fair value of the Museum's investments in certain equity funds and fixed income funds generally represents the amount the Museum would expect to receive if it were to liquidate its investments in funds excluding any redemption charges that may apply. The fair value of these funds is based on the applicable percentage ownership of the underlying funds' net assets as of the measurement date, as determined by the fund manager or the Museum. In determining fair value, the Museum utilizes valuations provided by the underlying investment funds. The underlying investment funds value securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the underlying investment funds are determined by the managers of the investment fund. Investments in these funds have certain restrictions on liquidation and may have underlying investments in private placements or other securities for which prices are not readily available. For these investments, the Museum uses the practical expedient. The practical expedient represents the applicable percentage ownership of the underlying funds' net assets as of the measurement date or net asset value (NAV).

Investments in private equity are in the form of limited partnership interests, which typically invest in private securities for which there is no readily determinable market value. In these cases, market value is determined by external managers based on a combination of discounted cash flow analysis, industry comparables, and outside appraisals. The value of the limited partnership interests is held at the manager's reported NAV as a practical expedient.

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 5. Fair Value Disclosures (Continued)

Charitable trusts are recorded at their estimated fair value based on the present value of the estimated future cash receipts from the trust. Assumptions are made regarding the expected rate of return on investments in the trust, the discount rate, and the expected mortality of the individual(s) if the termination of the agreement is dependent on life expectancy. As the fair value of these trusts is derived from internal estimates of the present value of the Museum's interest in the underlying assets, the amounts ultimately received could differ from the amounts reflected in the historical financial statements. The fair value estimate is classified as Level 3. The change in value of charitable trusts was \$72,263 and \$75,602 for the years ended December 31, 2025 and 2024, respectively, and is included in private support revenue on the statement of activities and changes in net assets.

The interest rate swap is valued using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows. This analysis reflects the contractual terms of the interest rate swap, including the period to maturity, and uses of observable market-based inputs, including interest rates. The fair value estimate is classified as Level 2.

The following tables summarize financial instruments by fair value levels as of December 31:

	2025				Total
	Level 1	Level 2	Level 3	Valued Using NAV ⁽¹⁾	
Assets:					
Investments:					
Money market fund	\$ 17,140,652	\$ -	\$ -	\$ -	\$ 17,140,652
Short-term investment fund	4,869,135	-	-	375,074	5,244,209
United States Treasuries	12,676,002	-	-	-	12,676,002
Common and preferred stocks	59,940,590	-	-	-	59,940,590
Equity funds:					
Domestic	82,331,111	-	-	27,083,756	109,414,867
International	30,086,103	-	-	17,035,299	47,121,402
Natural resources	3,606,854	-	-	-	3,606,854
Private equity	-	-	-	44,278,496	44,278,496
Fixed income funds	11,726,301	-	-	-	11,726,301
Total investments at fair value	222,376,748	-	-	88,772,625	311,149,373
Charitable trusts	-	-	599,857	-	599,857
Interest rate swap	-	1,658,604	-	-	1,658,604
Total assets at fair value	\$ 222,376,748	\$ 1,658,604	\$ 599,857	\$ 88,772,625	\$ 313,407,834

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 5. Fair Value Disclosures (Continued)

	2024				Total
	Level 1	Level 2	Level 3	Valued Using NAV ⁽¹⁾	
Assets:					
Investments:					
Money market fund	\$ 25,581,782	\$ -	\$ -	\$ -	\$ 25,581,782
Short-term investment fund	964,210	-	-	945,308	1,909,518
United States Treasuries	24,741,658	-	-	-	24,741,658
Common and preferred stocks	21,150,176	-	-	-	21,150,176
Equity funds:					
Domestic	46,775,147	-	-	24,363,518	71,138,665
International	41,713,720	-	-	16,835,400	58,549,120
Natural resources	1,674,573	-	-	-	1,674,573
Real estate and infrastructure	10,555,472	-	-	-	10,555,472
Private equity	-	-	-	31,913,736	31,913,736
Fixed income funds	20,412,278	-	-	-	20,412,278
Total investments at fair value	193,569,016	-	-	74,057,962	267,626,978
Charitable trusts	-	-	772,118	-	772,118
Interest rate swap	-	2,689,586	-	-	2,689,586
Total assets at fair value	\$ 193,569,016	\$ 2,689,586	\$ 772,118	\$ 74,057,962	\$ 271,088,682

- (1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in the tables above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

The following is a reconciliation of the beginning and ending balance of charitable trusts measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31, 2025 and 2024:

	2025	2024
Charitable trust assets, beginning of year	\$ 772,118	\$ 696,516
Investment return, net	72,263	75,602
Distributions	(244,524)	-
Charitable trust assets, end of year	\$ 599,857	\$ 772,118

Investments valued at NAV using the practical expedient as of December 31, 2025, consisted of the following:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Short-term investment fund (a)	\$ 375,074	\$ -	Daily	2 days
Equity funds:				
Domestic (b)	27,083,756	-	Daily	2 days
International (c)	17,035,299	-	Daily/Monthly	2 days/30 days
Private equity (d)	44,278,496	31,220,351	n/a	n/a
Balance as of 12/31/2025	\$ 88,772,625	\$ 31,220,351		

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 5. Fair Value Disclosures (Continued)

Investments valued at NAV using the practical expedient as of December 31, 2024, consisted of the following:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Short-term investment fund (a)	\$ 945,308	\$ -	Daily	2 days
Equity funds:				
Domestic (b)	24,363,518	-	Daily	2 days
International (c)	16,835,400	-	Daily/Monthly	2 days/30 days
Private equity (d)	31,913,736	24,348,198	n/a	n/a
Balance as of 12/31/2024	<u>\$ 74,057,962</u>	<u>\$ 24,348,198</u>		

- (a) Funds invested in high-grade money market instruments with short maturities.
- (b) Funds with principally long, diversified portfolios invested in highly liquid publicly traded U.S. equity securities, including large cap, mid-cap and small cap.
- (c) Funds with principally long, diversified portfolios invested in highly liquid international equity securities, including developed funds and emerging funds.
- (d) Funds invested in limited partnership interests. There is no provision for redemptions during the life of these funds. Distributions from each fund will be received as the underlying funds are liquidated.

Note 6. Pledges Receivable

The Museum has received various pledges from individuals and corporate donors. Pledges to be collected after one year are discounted using an annual rate of 5%, which is for present value including a risk factor. The following is a summary of pledges receivable as of December 31, 2025 and 2024, by expected period of payment:

	2025	2024
Amounts expected to be collected in:		
Less than one year	\$ 2,776,161	\$ 3,027,790
One to five years	660,000	1,203,000
More than five years	2,600,000	2,600,000
Total contributions receivable	<u>6,036,161</u>	<u>6,830,790</u>
Less:		
Reserve on uncollectible contributions	(700,000)	(700,000)
Discount	(1,081,635)	(1,148,708)
Contributions receivable, net	<u>\$ 4,254,526</u>	<u>\$ 4,982,082</u>

The Museum has received conditional pledges totaling \$177,827 and \$8,214,463 for the years ended December 31, 2025 and 2024, respectively. These gifts will be recognized as private support revenue when the conditions are met (generally when qualifying expenses have been incurred or milestones are met and all other grant requirements have been met).

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 7. Net Assets

Net assets are available for the following purposes at December 31:

	2025	2024
Without donor restrictions:		
Undesignated	<u>\$ 348,410,121</u>	<u>\$ 318,208,919</u>
With donor restrictions:		
Purpose restricted:		
Exhibit development and maintenance	\$ 15,348,838	\$ 14,134,348
Education programs	7,229,081	9,140,228
Building projects	13,215,391	7,081,981
Strategic initiatives	4,199,816	4,782,962
	<u>39,993,126</u>	<u>35,139,519</u>
Passage of time	<u>3,163,200</u>	<u>3,331,139</u>
Endowment funds, donations held in perpetuity:		
Education programs	11,102,917	11,102,917
Exhibit development and maintenance	6,431,250	6,423,750
Endowment for operations	3,293,020	3,240,463
Endowment funds, accumulated earnings and term endowment:		
Education programs	5,881,398	3,579,442
Exhibit development and maintenance	2,749,426	1,418,743
Endowment for operations	1,134,439	497,698
	<u>30,592,450</u>	<u>26,263,013</u>
	<u>\$ 73,748,776</u>	<u>\$ 64,733,671</u>

Net assets were released from donor designations by incurring expenditures that satisfy the designated purpose and through the passage of time as defined below:

	2025	2024
Satisfaction of purpose restrictions:		
Exhibit development and maintenance	\$ 1,310,935	\$ 9,788,992
Education programs	5,177,803	4,239,023
Building projects	2,024,729	392,245
Strategic initiatives	782,613	1,519,840
Passage of time	782,506	487,134
	<u>\$ 10,078,586</u>	<u>\$ 16,427,234</u>

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 8. Donor-Restricted Endowments

The Museum's endowment consists of donor-restricted funds primarily to support education programs and the maintenance and upkeep of certain exhibits.

The Museum accounts for endowment net assets by preserving the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result, the Museum classifies as net assets with donor restrictions (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, and (3) changes to the permanent endowment made in accordance with the direction of the applicable donor gift instrument. Also included in net assets with donor restrictions is accumulated appreciation on donor restricted endowment funds which are available for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA, and deficiencies associated with funds where the value of the fund has fallen below the original value of the gift.

The Museum considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Museum and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Museum
7. The investment policies of the Museum

From time to time, the fair value of assets associated with individual donor-restricted funds may fall below the level that the donor or UPMIFA requires the Museum to retain as a fund of perpetual duration (underwater endowments). At December 31, 2025 and 2024, there were no underwater funds.

Investment and spending policies: The Museum has adopted investment and spending policies for endowment assets that aim to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. As of December 31, 2025 and 2024, endowment assets only include those assets of donor-restricted funds that the Museum must hold in perpetuity or for donor-specified periods. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to provide adequate liquidity, maximizing returns on all funds invested and achieving full employment of all available funds as earning assets. The Museum has an active Finance Committee that meets regularly to ensure the objectives of the investment policy are being met, and that strategies used to meet the objectives are in accordance with the Museum's investment policy.

The annual endowment draw amount is up to 5% of the average market value of each endowment for the twelve trailing quarters ending September 30. This amount will be incorporated in the budget and submitted to the Board of Trustees for approval. Upon approval, it becomes the draw amount to be appropriated in the new fiscal year.

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 8. Donor Restricted Endowments (Continued)

During 2025 and 2024, the Museum had the following donor-restricted endowment-related activities:

	2025	2024
Endowment net assets, beginning of year	\$ 26,263,013	\$ 24,555,079
Private support	60,058	21,213
Interest and dividends	459,440	535,622
Net realized and unrealized gains on investments	4,707,949	2,071,099
Appropriation of endowment assets for expenditures	(898,010)	(920,000)
	<u>4,269,379</u>	<u>1,686,721</u>
Total change in endowment net assets	<u>4,329,437</u>	<u>1,707,934</u>
Endowment net assets, end of year	<u>\$ 30,592,450</u>	<u>\$ 26,263,013</u>

Note 9. Defined Contribution Plan

The Museum has an active 401(k) plan. Under the terms and conditions of the 401(k) plan, participants may defer up to 50% of annual salary or a maximum amount defined by law of \$23,500 for 2025 and \$23,000 for 2024. Participants who have attained age 50 before the end of the plan year are also eligible to make catch-up contributions.

The Museum makes a matching contribution of 100% of the first 1% contributed by participants and 50% of the next 5% contributed by participants. Vesting is 100% in the employee contribution and Museum match at all times. The Museum matches were \$591,210 and \$538,143 in 2025 and 2024, respectively.

Note 10. Museum Properties

Museum properties consisted of the following at December 31:

	2025	2024
Exhibits	\$ 175,939,538	\$ 179,743,064
Building improvements	163,611,777	159,417,622
Underground garage	54,666,665	54,666,665
Equipment, furniture and fixtures	19,996,225	19,326,121
Henry Crown Space Center	16,260,237	16,127,626
Construction in progress	9,850,438	5,946,756
Total properties	<u>440,324,880</u>	<u>435,227,854</u>
Less accumulated depreciation	<u>(294,074,685)</u>	<u>(286,434,040)</u>
Properties, net	<u>\$ 146,250,195</u>	<u>\$ 148,793,814</u>

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 10. Museum Properties (Continued)

Depreciation expense was \$12,005,505 and \$11,607,816 for the years ended December 31, 2025 and 2024, respectively. Gains on disposal of fixed assets totaling \$890,955 and \$151,060 for the years ended December 31, 2025 and 2024, respectively, relates to insurance proceeds received to cover property damages, in excess of costs incurred to remediate the damage to date. Construction in progress consists primarily of new exhibit construction and building improvements. The total remaining cost to complete these projects at December 31, 2025 and 2024 is expected to be approximately \$28,000,000 and \$690,000, respectively. Of the \$28,000,000 remaining cost to complete at December 31, 2025, approximately \$21,000,000 is related to the renovation of the South Portico.

Note 11. Other Assets

Other assets balances at December 31:

	2025	2024
Prepaid expenses and deposits	\$ 2,154,343	\$ 2,112,262
Interest rate swap	1,658,604	2,689,586
Charitable remainder trusts	599,857	772,118
Life insurance policy	275,316	260,769
Inventories	66,979	157,152
Total other assets	<u>\$ 4,755,099</u>	<u>\$ 5,991,887</u>

Other assets consists of: (1) prepaid expenses for insurance and other agreements whose economic benefits extend into future fiscal years, (2) the fair value of the asset in connection with the Museum's interest rate swap agreement, (3) the Museum's irrevocable interest in donors' charitable trusts, (4) a life insurance policy that was purchased by a donor for the Museum and recorded at its surrender value, (5) inventories, primarily for items held for resale, and (6) the Museum's interest in the Giant Dome Theater Consortium, whose purpose is to promote and support the development, production, distribution and exhibition of educational films for giant dome theaters.

Note 12. Other Liabilities

Other liabilities balances at December 31:

	2025	2024
Funds on deposit	\$ 529,091	\$ 418,682
Asset retirement obligation	501,950	505,829
Supplemental retirement plans	345,152	270,152
Interest payable	91,281	105,235
Total other liabilities	<u>\$ 1,467,474</u>	<u>\$ 1,299,898</u>

Other liabilities consists of: (1) funds on deposit for group admissions and rental space, (2) an asset retirement obligation for the Museum's estimated cost of asbestos remediation, (3) a supplemental executive retirement plan, and (4) interest payable on the Museum's outstanding bonds.

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 13. Related-Party Transactions

The Museum obtains banking and other services, as well as procures products from companies with which certain Museum trustees are associated. The Museum also receives pledges and contributions from its trustees. A summary of balances and activities as recorded in these financial statements are as follows:

	2025	2024
Cash and investments held by the Museum	\$ 314,554,195	\$ 270,432,026
Outstanding pledges, gross	4,815,000	6,215,000
Private support contributions	6,341,834	8,332,607
Bonds payable	30,000,000	30,000,000
Utilities	-	1,300,800
Interest and bank fees	1,648,829	1,531,027
Credit card transactions	2,705,567	-
Other	106,584	148,470

Note 14. Bonds Payable and Lines of Credit

Following is a summary of bonds payable as of December 31:

	2025	2024
Illinois Finance Authority (IFA) secured bonds:		
Series 2024—Wintrust Bank	\$ 30,000,000	\$ 30,000,000
Less unamortized financing fees	(262,249)	(294,007)
Bonds payable, per statements of financial position	<u>\$ 29,737,751</u>	<u>\$ 29,705,993</u>

IFA Series 2017 Bonds: On April 11, 2024, the Museum redeemed Series 2017A and Series 2017B bonds which had a mandatory tender date of May 1, 2024. Unamortized debt issuance costs of \$302,979 were written off when the bonds were redeemed and were included in other loss, net, on the statement of activities and changes in net assets.

IFA Series 2024 Bonds: On April 11, 2024, the Museum issued to the IFA tax-exempt bonds (Series 2024—Wintrust) totaling \$30,000,000 through a private placement. The proceeds were loaned to the Museum for purpose of redeeming the Series 2017A and Series 2017B bonds. The Series 2024 bonds have no annual principal payments. The Series 2024 bonds have a mandatory tender date of April 1, 2034. The interest rate at December 31, 2025 and 2024 was 3.53% and 4.07%, respectively. Debt issuance costs of \$317,068 were capitalized and are being amortized over a 10-year life.

Interest rate swap agreement: In December 2019, the Museum entered into an interest rate swap agreement to convert \$30,000,000 of notional principal from floating-rate to fixed-rate instruments on previously issued bonds. The agreement, which was transferred to Wintrust in 2024 and expires in December 2029, has monthly settlement and a fixed interest rate of 1.2885%. As of December 31, 2025 and 2024, the cumulative unrealized gain on the Museum's swap positions was \$1,658,604 and \$2,689,586, respectively, based on the amount that such an instrument could be settled with a third party as determined by the counterparty. Changes in valuation of the Museum's swap of (\$1,030,982) in 2025 and \$162,249 in 2024 are recognized under non-operating activities within other loss, net, on the statements of activities and changes in net assets.

Kenneth C. Griffin Museum of Science and Industry

Notes to Financial Statements

Note 14. Bonds Payable and Lines of Credit (Continued)

Line of credit: Through April 11, 2024, the Museum had a \$15,000,000 working capital line of credit, with an interest rate of Daily SOFR plus a fixed basis point component on outstanding amounts. On April 11, 2024, the Museum terminated its line of credit and entered into a new \$15,000,000 working capital line of credit with a new lender, with an interest rate of monthly term SOFR plus a fixed basis point component on outstanding amounts. This line of credit expires on April 10, 2026. There were no borrowings on the lines of credit during the years ended December 31, 2025 and 2024. The Museum is seeking a renewal of the line of credit.

Note 15. Commitments and Contingencies

In its normal course of operations, the Museum has various contracts including food service, security, janitorial, advertising, and fabrication for exhibits. As of December 31, 2025, the total commitments under those contracts are approximately \$13,300,000. The commitments extend through 2028.

From time to time, the Museum is a defendant in legal proceedings arising out of the ordinary course of its business. Although the outcome of these proceedings cannot readily be determined, in the opinion of management, disposition of these proceedings would not have a material adverse effect on the financial position of the Museum.

Note 16. Functional Classification of Expenses

Expenses by functional classification for the year ended December 31, 2025, consist of the following:

	Program Expenses							Total
	Exhibits and Public Programs	Education Programs	Guest Services	Retail and Supporting Services	Membership	Development	Management and General	
Compensation and benefits	\$ 10,206,825	\$ 6,059,309	\$ 3,376,938	\$ 616,174	\$ 247,059	\$ 2,598,305	\$ 4,139,868	\$ 27,244,478
Facilities operations	5,210,229	274,928	442,462	758,527	4,376	173,305	551,280	7,415,107
Supplies, services, and other	12,142,300	1,989,636	1,727,143	700,896	594,851	1,522,125	1,543,402	20,220,353
Depreciation	9,498,718	190,435	1,517,155	358,716	-	-	440,481	12,005,505
Interest	554,114	-	-	-	-	-	-	554,114
Total	\$ 37,612,186	\$ 8,514,308	\$ 7,063,698	\$ 2,434,313	\$ 846,286	\$ 4,293,735	\$ 6,675,031	\$ 67,439,557

Expenses by functional classification for the year ended December 31, 2024, consist of the following:

	Program Expenses							Total
	Exhibits and Public Programs	Education Programs	Guest Services	Retail and Supporting Services	Membership	Development	Management and General	
Compensation and benefits	\$ 9,429,639	\$ 5,791,023	\$ 3,007,640	\$ 531,617	\$ 203,617	\$ 2,493,287	\$ 3,501,032	\$ 24,957,855
Facilities operations	4,333,748	181,918	276,957	759,918	-	89,563	415,778	6,057,882
Supplies, services, and other	12,068,707	2,565,389	1,602,884	650,026	505,815	1,821,410	1,646,368	20,860,599
Depreciation	9,122,452	186,986	1,513,656	352,220	-	-	432,502	11,607,816
Interest	607,131	-	-	-	-	-	-	607,131
Total	\$ 35,561,677	\$ 8,725,316	\$ 6,401,137	\$ 2,293,781	\$ 709,432	\$ 4,404,260	\$ 5,995,680	\$ 64,091,283

Natural expenses attributable to more than one functional expense category are allocated based on certain factors, such as headcount, square footage, and time and effort.