Financial Statements and Report of Independent Certified Public Accountants

Navy Pier, Inc.

December 31, 2024 and 2023

Contents

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Trustees
Navy Pier, Inc.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Navy Pier, Inc. (a nonprofit organization) (the "Entity"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities , functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audits of the financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Entity 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 Entity's ability to continue as a going concern for one year after the date the financial statements are issued.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS and *Government 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 financial statements.

In performing an audit in accordance with US GAAS, and *Government Auditing Standards*, 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 Entity'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 Entity's ability to continue as a going concern for a reasonable period of time.

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

Supplementary information
Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidated year-end financial report for the year ended December 31, 2024, as required by Illinois State Law is presented for purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures. These additional procedures included comparing and reconciling such

information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with US GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Grant Thornton LLP

Chicago, Illinois
May 30, 2025

Navy Pier, Inc.

STATEMENTS OF FINANCIAL POSITION

December 31,

	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	$ 16,730,032	$ 15,267,452
Short-term investments	5,921,804	5,024,770
Accounts receivable, net	1,743,302	2,607,239
Pledges receivable, net	1,476,240	2,433,504
Prepaid expenses	1,458,622	1,344,569
Current assets	27,330,000	26,677,534
Non-current assets		
Cash and cash equivalents, restricted	2,700,411	7,382
Deferred compensation investments	439,195	294,200
Pledges receivable, net	1,961,680	2,830,077
Right-of-use operating lease asset	332,681	458,323
Property and equipment, net	150,426,596	157,023,078
Non-current assets	155,860,563	160,613,060
Total assets	$ 183,190,563	$ 187,290,594
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	$ 8,016,526	$ 6,898,481
Advance deposits	3,390,906	2,402,883
Deferred revenue	424,276	810,351
Operating lease liabilities	125,642	125,642
Finance lease liabilities	403,186	453,756
Bonds and loans payable, net	-	3,459,000
Total current liabilities	12,360,536	14,150,113
Non-current liabilities		
Accounts payable and deferred compensation	692,944	301,582
Deferred revenue	5,087,182	5,354,156
Operating lease liabilities	207,039	332,681
Finance lease liabilities	308,174	711,361
Bonds and loans payable, net	56,183,005	54,741,586
Total non-current liabilities	62,478,344	61,441,366
Total liabilities	74,838,880	75,591,479
Net assets		
Without donor restrictions	100,380,975	104,066,515
With donor restrictions	7,970,708	7,632,600
Total net assets	108,351,683	111,699,115
Total liabilities and net assets	$ 183,190,563	$ 187,290,594

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

Navy Pier, Inc.

STATEMENTS OF ACTIVITIES

Years ended December 31,

	2024					2023				
	Without Donor Restrictions			With Donor		Without Donor Restrictions			With Donor	
	Operating	Non-Operating	Total	Restrictions	Total	Operating	Non-Operating	Total	Restrictions	Total
Revenues and support										
Contributions of cash	$ 2,189,432	$ 888,909	$ 3,078,341	$ 2,170,482	$ 5,248,823	$ 3,033,700	$ 886,682	$ 3,920,382	$ 810,230	$ 4,730,612
Sponsorships	1,320,128	-	1,320,128	-	1,320,128	2,205,053	-	2,205,053	-	2,205,053
Contributions of nonfinancial assets	312,698	300,935	613,633	-	613,633	213,772	394,169	607,941	-	607,941
Pier Park Amusements	14,445,454	-	14,445,454	-	14,445,454	14,420,724	-	14,420,724	-	14,420,724
Programming events	413,066	-	413,066	-	413,066	743,828	-	743,828	-	743,828
Retail	16,305,283	112,628	16,417,911	-	16,417,911	14,776,803	173,393	14,950,196	-	14,950,196
Parking	13,984,881	-	13,984,881	-	13,984,881	13,028,041	-	13,028,041	-	13,028,041
Facility rental	7,440,143	-	7,440,143	-	7,440,143	5,680,587	-	5,680,587	-	5,680,587
Food and beverage	12,268,667	-	12,268,667	-	12,268,667	8,859,537	-	8,859,537	-	8,859,537
Facility fees	-	2,849,237	2,849,237	-	2,849,237	-	2,118,777	2,118,777	-	2,118,777
Investment return, net	652,648	54,587	707,235	-	707,235	374,287	277,642	651,929	-	651,929
Other	70,192	35,230	105,422	-	105,422	186,828	-	186,828	-	186,828
Net assets released from donor restriction	1,557,374	275,000	1,832,374	(1,832,374)	-	1,222,267	328,655	1,550,922	(1,550,922)	-
Net assets released from board designation	-	-	-	-	-	3,000,000	(3,000,000)	-	-	-
Total revenues and support	70,959,966	4,516,526	75,476,492	338,108	75,814,600	67,745,427	1,179,318	68,924,745	(740,692)	68,184,053
Expenses										
Program	58,017,295	13,117,497	71,134,792	-	71,134,792	53,605,142	13,221,253	66,826,395	-	66,826,395
Administration	6,092,632	71,076	6,163,708	-	6,163,708	6,679,174	66,843	6,746,017	-	6,746,017
Fundraising	1,793,616	69,916	1,863,532	-	1,863,532	1,482,512	67,567	1,550,079	-	1,550,079
Total expenses	65,903,543	13,258,489	79,162,032	-	79,162,032	61,766,828	13,355,663	75,122,491	-	75,122,491
CHANGE IN NET ASSETS	$ 5,056,423	$ (8,741,963)	(3,685,540)	338,108	(3,347,432)	$ 5,978,599	$ (12,176,345)	(6,197,746)	(740,692)	(6,938,438)
Net assets, beginning of year			104,066,515	7,632,600	111,699,115			110,264,261	8,373,292	118,637,553
Net assets, end of year			$ 100,380,975	$ 7,970,708	$ 108,351,683			$ 104,066,515	$ 7,632,600	$ 111,699,115

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

Navy Pier, Inc.

STATEMENTS OF FUNCTIONAL EXPENSES

Years ended December 31,

	2024				2023			
	Program	**Administrative**	**Fundraising**	**Total**	**Program**	**Administrative**	**Fundraising**	**Total**
Salaries and benefits	$ 9,715,929	$ 3,696,525	$ 1,130,349	$ 14,542,803	$ 9,672,614	$ 3,618,961	$ 871,266	$ 14,162,841
Contracted services	30,943,612	158,060	61,544	31,163,216	26,834,395	33,536	67,175	26,935,106
Professional fees	2,662,959	1,147,618	190,588	4,001,165	3,032,847	1,205,117	187,897	4,425,861
Advertising and promotions	3,146,989	39,704	39,633	3,226,326	3,223,123	32,432	17,545	3,273,100
Utilities	2,688,398	27,293	13,647	2,729,338	2,378,868	24,151	12,075	2,415,094
Maintenance	2,051,446	211,141	-	2,262,587	2,145,760	283,218	25,033	2,454,011
Equipment	938,930	38,728	114,767	1,092,425	781,367	462,345	6,837	1,250,549
Supplies	877,513	26,211	63,735	967,459	1,350,321	23,784	59,305	1,433,410
Insurance	2,062,514	125,915	10,185	2,198,614	1,818,768	120,341	8,865	1,947,974
Information technology	711,260	316,338	30,802	1,058,400	772,365	328,665	16,542	1,117,572
Office expenses	1,064,741	28,308	16,203	1,109,252	1,034,634	20,184	12,961	1,067,779
Travel and entertainment	112,195	78,990	117,800	308,985	109,534	74,514	189,168	373,216
Miscellaneous	299,511	128,348	4,015	431,874	201,686	132,257	7,155	341,098
Bad debt expense	-	-	-	-	-	250,000	-	250,000
Interest	2,798,148	28,238	14,119	2,840,505	2,920,870	29,413	14,706	2,964,989
Depreciation and amortization	11,060,647	112,291	56,145	11,229,083	10,549,243	107,099	53,549	10,709,891
	$ 71,134,792	$ 6,163,708	$ 1,863,532	$ 79,162,032	$ 66,826,395	$ 6,746,017	$ 1,550,079	$ 75,122,491

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

Navy Pier, Inc.

STATEMENTS OF CASH FLOWS

Years ended December 31,

	2024	2023
Cash flows from operating activities:		
Change in net assets	$ (3,347,432)	$ (6,938,438)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	11,175,977	10,662,667
Amortization of bond premium and issuance costs	53,104	47,224
Realized and unrealized investment gains	(425,251)	(453,523)
Contributions and grants restricted for capital projects	(1,200,294)	(908,767)
Amortization of discount for pledges receivable	89,362	125,796
Changes in assets and liabilities:		
Accounts receivable	863,937	(495,248)
Pledges receivable	1,736,299	444,466
Prepaid expenses	(114,053)	(411,693)
Accounts payable and accrued expenses	1,509,407	(913,850)
Advance deposits	988,023	848,441
Deferred revenue	(653,049)	(503,567)
Net cash provided by operating activities	10,676,030	1,503,508
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	12,147,624	21,487,370
Purchases of investments	(12,764,402)	(11,840,134)
Initial funding of debt service reserve fund	2,678,662	-
Purchases of property and equipment	(4,579,496)	(4,421,204)
Net cash provided by (used in) investing activities	(2,517,612)	5,226,032
Cash flows from financing activities:		
Proceeds from bond issuance	57,677,180	-
Bond and loan repayment	(58,254,435)	(3,119,000)
Payment of bond issuance costs	(1,493,430)	-
Initial funding of debt service reserve fund	(2,678,662)	-
Principal payments on finance lease	(453,757)	(486,966)
Contributions restricted for capital projects	1,200,294	908,767
Net cash (used in) financing activities	(4,002,810)	(2,697,199)
NET CHANGE IN CASH AND CASH EQUIVALENTS	4,155,608	4,032,341
Cash and cash equivalents, including restricted - beginning of year	15,274,834	11,242,493
Cash and cash equivalents, including restricted - end of year	$ 19,430,442	$ 15,274,834
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 3,168,824	$ 3,099,198
Supplemental disclosure of noncash transactions:		
Construction in progress and equipment in accounts payable	$ 638,202	$ 556,099

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

NOTE A - NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Navy Pier, Inc. ("NPI") is a not-for-profit organization established on January 4, 2011 for the purpose of managing, operating, and redeveloping Navy Pier (the "Pier"). The Pier is a tourist and leisure destination located in Chicago, Illinois, and provides dining, shopping, cultural events, amusement park rides, and various other entertainment options to its visitors. The Pier is owned by the Metropolitan Pier and Exposition Authority ("MPEA"), a local government entity established by the Illinois General Assembly. NPI was created to lessen the burden of the government by operating and facilitating the redevelopment of the Pier. The long-term strategic plan for the Pier is to improve the mix of retail, dining, cultural, and entertainment options in an effort to further expand the Pier's customer base to drive an increase in year-round attendance. A key component of the plan is the redevelopment of the infrastructure to update the look and feel of the Pier and improve the overall facility. While MPEA retains ownership of the Pier, NPI has the authority to make key decisions on operations, maintenance, and implementation of the Pier's revitalization.

Basis of Presentation

The financial statements of NPI have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

These financial statements have been prepared to focus on NPI as a whole and to present balances and transactions classified according to the existence or absence of donor-imposed restrictions. This has been accomplished by classifying transactions into two classes of net assets – net assets without donor restrictions and net assets with donor restrictions. Furthermore, NPI distinguishes activities within net assets without donor restrictions as either operating or non-operating. Descriptions of the two net asset categories are as follows:

<u>Net Assets without Donor Restrictions</u>

Operating - include all operating revenues and expenses, which are an integral part of NPI's programs and supporting activities, as well as net assets released from donor restrictions to support operating activities. NPI considers operating the Pier as its only program.

Non-operating - include all Board-designated funds and related investment returns (not subject to donor restriction), fees and contributions for capital projects, capitalized property and equipment and its related depreciation, debt service, and certain expenses related to the physical re-development of the Pier.

<u>Net Assets with Donor Restrictions</u>

Net assets with donor restrictions include assets whose use is limited by donor-imposed time and/or purpose restrictions.

Cash and Cash Equivalents

Cash consists of cash on hand and demand deposits. Cash equivalents consist of highly liquid short-term investments with original maturities of 90 days or fewer. NPI maintains cash in bank deposit accounts, which may exceed federally insured limits. NPI has not experienced any losses in such accounts and believes it is not exposed to any significant financial risk therein.

Unrestricted cash and cash equivalents are available for use for the general operations of NPI at the discretion of the board of directors and management. Restricted cash and cash equivalents are either contractually-restricted, donor-restricted, legally restricted by a borrowing arrangement, or restricted due to deferred compensation agreement. The contractual-restrictions are proceeds from the Save the Pier fundraising campaign, which was initiated as a result of the uncertainties of the COVID-19 pandemic and the need to fund specific operating expenses without the clarity of how the operations of NPI would rebound; debt service is explicitly excluded from eligible expenses. Debt service reserve fund is a legally restricted balance required as part of a compensating balance agreement based on the issuance of NPI's 2024 bond issuance. Debt service reserve fund is required to be held in a separate bank account with the bond trustee. Debt service reserve fund can only be used for debt service in the event NPI does not remit required interest or principal payment. Investment income earned from debt service reserve fund can also be used to pay for debt service if the growth reaches a certain threshold. Deferred compensation cash equivalents is the balance of 457b compensation not intended to be liquidated within one year.

Current cash and cash equivalents, restricted, are comprised of:

	2024	2023
Contractually-restricted	$ 5,147,077	$ 4,968,830
Donor-restricted	4,619,860	2,493,160
Total cash and cash equivalents, restricted	$ 9,766,937	$ 7,461,990

Noncurrent cash and cash equivalents, restricted, are comprised of:

	2024	2023
Debt service reserve fund	$ 2,678,662	$ -
Deferred compensation cash equivalents	21,749	7,382
	$ 2,700,411	$ 7,382

Accounts Receivable

Accounts receivable consist of rents due from the Pier tenants, trade accounts receivable due for NPI's convention and meeting business, and amounts due from NPI's parking and foodservice contractors. A bad debt reserve of approximately $701,780 and $367,000 was recorded as of December 31, 2024 and 2023, respectively, related to tenant and event accounts receivable. NPI's process to determine the reserve estimate is based on an aging schedule analysis approach. Expected credit losses are determined on the basis of how long a receivable has been outstanding.

Pledges Receivable

Pledges receivable represent unconditional promises to give and are reported at fair value by discounting the expected future payments beyond one year at rates ranging from 0.38% to 4.66%. The discount rate used to determine the present value of pledges receivable represents a risk adjusted rate of return at the date of donation. Management evaluates payment history and market conditions to determine if an allowance for doubtful pledges is needed. An allowance of approximately $37,750 and $35,000 was recorded as of December 31, 2024 and 2023, respectively, related to pledges receivable.

Pledges receivable are estimated to be collected as follows at December 31:

	2024	2023
Within one year	$ 1,514,249	$ 2,468,504
In one to five years	1,941,666	2,858,333
Beyond five years	100,000	133,334
	3,555,915	5,460,171
Less: allowance for doubtful accounts	(37,750)	(35,000)
Less: discount to net present value	(79,987)	(161,590)
	$ 3,438,178	$ 5,263,581

Prepaid Expenses

Prepaid expenses consist primarily of prepayments for insurance coverage, maintenance agreements and expenses for events that will occur in 2025.

Investments

Investments are measured at fair value in the accompanying statements of financial position. Investments in debt securities have maturities within one year. NPI records investment transactions on a trade-date basis. Interest income is recognized on the accrual basis. Dividend income is recognized on the ex-dividend date. Interest, realized gains and losses on sales of investments, and unrealized gains and losses are reported as investment return, net.

Property and Equipment

Property and equipment consist of leasehold improvements to the real property of the Pier and equipment and other personal property. The leasehold improvements and equipment and other assets are stated at cost and depreciated over their estimated useful lives using the straight-line method. Interest on borrowings used to fund capital projects is capitalized and amortized over the life of the asset. Contributed property and equipment is stated at fair value as of the date of the gift. Useful lives are estimated as follows:

Leasehold improvements (the shorter of the lease term or estimated useful life)	7 - 40 years
Furniture	7 years
Equipment	2 - 20 years

Betterments, improvements, and repairs that extend the useful life of an asset and which have a cost of more than $25,000 are capitalized. Furniture and equipment that have a useful life of more than one year and a unit cost of more than $10,000 are capitalized. Group asset purchases are capitalized when the cost exceeds $50,000. Routine repairs and maintenance are expensed as incurred.

NPI reviews its assets for impairment on an annual basis to determine whether events or changes in circumstances indicate whether the carrying amount of an asset may not be recoverable. NPI did not recognize any impairment charges during the years ended December 31, 2024 and 2023.

Total property and equipment, net is as follows at December 31:

	2024	2023
Construction in progress	$ 2,655,898	$ 2,935,768
Leasehold improvements	197,676,954	195,426,261
Equipment and other	39,199,718	36,591,045
Operating lease right-of-use assets	332,681	458,323
Total property and equipment	239,865,251	235,411,397
Less: accumulated depreciation	(89,105,974)	(77,929,996)
Total property and equipment, net	$ 150,759,277	$ 157,481,401

Leases

A lease component is defined as an asset within the lease contract that a lessee can benefit from the use of and is not highly dependent or interrelated with other assets in the arrangement. A lease contract may contain multiple lease components. A non-lease component is defined as a component of the lease that transfers a good or service for the underlying asset, such as maintenance services. NPI has determined that all of its leases contain one lease component related to either a building or equipment. NPI has determined that treating the land together with the building as one lease component would not result in a significant difference from accounting for them as separate lease components. Additionally, NPI has elected the practical expedient to include both the lease component and the non-lease component as a single component when accounting for each lease and calculating the resulting lease liability and right-of-use ("ROU") asset. Any remaining contract consideration, such as taxes and insurance, that does not meet the definition of a lease component or non-lease component would be allocated to the single lease component based on the election.

The lease liability represents future lease payments for lease and non-lease components discounted for present value. Lease payments that may be included in the lease liability include fixed payments. NPI's operating leases as of and for the years ended 2024 and 2023 do not include variable payments. None of NPI's operating leases contain rent escalation clauses that are specifically stated in the lease. Variable lease payments for lease and non-lease components which are not based on an index or rate are excluded from the calculation of the lease liability and are recognized in the statement of activities during the period incurred.

The ROU asset consists of the amount of the initial measurement of the lease liability and adjusted for any lease incentives, including rent abatements and tenant improvement allowances, and any initial direct costs incurred by the lessee. The ROU asset is amortized over the remaining lease term on a straight-line basis.

The lease term is determined by taking into account the initial period as stated in the lease contract and adjusting for any renewal options that NPI is reasonably certain to exercise as well as any period of time that the lessee has control of the space before the stated initial term of the lease.

NPI uses discount rates to determine the net present value of gross lease obligations when calculating the lease liability and related ROU asset. In cases in which the rate implicit in the lease is readily determinable, that discount rate is used for purposes of the net present value calculation. In most cases, lease agreements do not have a discount rate that is readily determinable and therefore an estimate of NPI's incremental borrowing rate is used. The incremental borrowing rate is determined at lease commencement or lease modification and represents the rate of interest NPI would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment.

Advance Deposits

Advance deposits consist of security deposits from retail tenant partners and prepayments for events that will occur in future years.

Revenue

Revenue from contracts with customers is recognized when NPI's related performance obligations are satisfied and includes tenant rentals (retail revenue), parking fees, amusement park and programming event revenue, rental of exhibition facilities (facility rental revenue), food and beverage services primarily related to facility rental revenue, and certain sponsorships. Advance collections and deposits related to event revenue are recorded as advance deposits. Advance collections for sponsorship and rental agreements are recorded as deferred revenue. Advance deposits and deferred revenue are reflected as liabilities in the accompanying statements of financial position.

Contributions of cash and nonfinancial assets, including donations of cash, property, and unconditional pledges, are recognized in the period received. Conditional pledges are not recognized until the conditions on which they depend are substantially met. Contributions of nonfinancial assets are recorded at estimated fair value at the date of donation. Contributions to be received subsequent to year end are discounted at an appropriate rate commensurate with the risks involved. The amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, as the pledge is satisfied. If a donor restriction is fulfilled in the same period in which the contribution is received, NPI reports the support as without donor restriction.

Sponsorships are exchange transactions whereby NPI provides visibility, recognition and certain other benefits to third parties. Revenue is recognized over time based on when NPI provides benefits.

Pier Park Amusements are the sales of admissions to the Pier's amusement rides, such as the Centennial Wheel, Wave Swinger, the Carousel, Drop Tower, and others. Revenue is recognized when access to the amusement is provided.

Programming events include sales of admissions to events produced by NPI, primarily Light Up the Lake. Revenue is recognized when access to the event is provided.

Retail revenue includes rental income and other revenues from multiple tenants in exchange for NPI providing space for retail, dining, and boat docking business operations. Revenue is recognized as NPI provides access to the tenant in accordance with respective lease terms.

Parking revenues are the fees charged to park in NPI's parking garage. Revenue is recognized as the parking is provided.

Facility rental includes fees received for the use of NPI's convention and meeting facilities, Festival Hall, and the Aon Grand Ballroom. Revenue is recognized as the related events take place.

Food and beverage revenue includes primarily license fees earned on sales of food and beverage related to the facility rental events provided by a third-party caterer. Revenue is recognized as the related events take place.

Facility fee revenues are assessments on paid admissions to attractions and events at the Pier. Revenues are unrestricted, are considered non-operating, and are used to fund capital improvements and deferred maintenance. Revenues are recognized when access to the amusement or event is provided.

Net Assets Released from Board Designation

This line item consists of Board-authorized releases of funds raised from the *Save the People's Pier* fundraising campaign to support current year operations.

Government Support

NPI receives no on-going financial support from any City, County, State, or Federal agency to support its general operations. NPI applies for competitive grants when available, which are recorded as contributions and grants on the statements of activities. The Illinois Arts Council ("IAC") funded NPI's Arts and Cultural programming in the amount of $49,200 and $20,600 for 2024 and 2023, respectively. The Illinois Department of Commerce and Economic Opportunity awarded several grants to NPI in 2024 and 2023 totaling $368,451 and $850,000, respectively, to support the State's efforts with tourism. The Illinois Department of Natural Resources awarded a grant of $35,521 in 2024 for a structural engineering assessment.

The Federal Emergency Management Agency ("FEMA") awarded several grants under a port security grant program to NPI to support safety upgrades to Navy Pier, of which $267,830 and $837,722 was recorded as revenue in 2024 and 2023, respectively. The FEMA grants required NPI to contribute a match in order to receive the funds.

Contributions of Nonfinancial Assets and Services

NPI received contributions of nonfinancial assets and services in 2024 and 2023, which are recorded at estimated fair value. Contributed nonfinancial assets in 2024 consisted of donated supplies and goods for fundraising events and kitchen equipment, and contributed nonfinancial assets in 2023 consisted of donated supplies and goods for fundraising events. Contributed nonfinancial assets did not have donor-imposed restrictions. In valuing nonfinancial assets, NPI estimates the fair value based on available information at the time of receipt.

Contributed services in 2024 and 2023 comprise broadcast acknowledgements, promotional services, and other professional services. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar services.

Both nonfinancial assets and contributed services are reported as "Contributions of nonfinancial assets" on the statements of activities.

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

	2024	2023
Services	$ 301,299	$ 459,094
Equipment	272,122	-
Supplies and goods	40,212	148,847
	$ 613,633	$ 607,941

Expenses by Function

Expenses are reductions in net assets without donor restrictions and are recorded as incurred. Expenses related to the operation of the Pier are classified as program expenses on the accompanying statements of functional expenses; this may include, but not be limited to, Arts, Culture and Engagement, maintenance and repairs, facility costs and security services. Administrative expenses include all expenses other than those incurred for the direct conduct of program services or fundraising activities. Fundraising expenses are costs incurred to generate philanthropic contributions to NPI.

Costs which are shared by more than one function include depreciation, interest, and most insurance, and are shared based on approximate square footage associated with staff involved.

Income Taxes

NPI has received a favorable determination letter from the Internal Revenue Service stating that it is exempt from federal income taxes under provision of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, except from income taxes pertaining to unrelated business income.

The Financial Accounting Standards Board ("FASB") issued guidance that requires 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 if the position were to be challenged by a taxing authority. Management has determined there are no material uncertain positions that require recognition in the financial statements. There are no interest or penalties recognized in the financial statements for the years ended December 31, 2024 and 2023.

Management's Use of Estimates

The preparation of financial statements in conformity with 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 revenue and expenses during the reporting period. Actual results may differ from those estimates.

Subsequent Events

NPI has performed an evaluation of subsequent events through May 30, 2025, which is the date the financial statements were issued. NPI is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

Reclassification of Prior Year Balances

Certain balances were reclassified from prior year balance in order to more accurately reflect the nature of restricted cash and investments that were not available for use within one year. $7,382 was reclassified from cash and cash equivalents in current assets to cash and cash equivalents, restricted in noncurrent assets. $294,200 was reclassified from short-term investments in current assets to Deferred compensation investments, restricted in noncurrent assets. $301,582 was reclassified from accounts payable and accrued expenses in current liabilities to accounts payable and deferred compensation in non-current liabilities.

NOTE B - LEASE AGREEMENT WITH MPEA

Effective July 1, 2011, NPI entered into a long-term lease agreement (the "Lease Agreement") with MPEA to manage, operate, and develop the Pier. MPEA retains ownership of the Pier and NPI has the authority to make key decisions related to operations, maintenance, and the implementation of the Pier's revitalization. MPEA does not provide any ongoing financial subsidy to NPI to support operations of the Pier.

Significant terms of the Lease Agreement as amended are as follows:

- The Lease Agreement term is from July 1, 2011 through June 30, 2036, with four renewal options of 20 years each, for a total possible term of 105 years. The Lease Agreement requires NPI to pay MPEA rent of $1 per year and to operate the Pier in accordance with the Framework Plan, a comprehensive, long-term plan to maintain and guide redevelopment of the Pier. NPI has prepaid rent of $1 per year for the initial lease term of 25 years ending June 30, 2036;

- NPI can terminate the Lease Agreement at any time. MPEA can terminate the agreement only upon default by NPI. Events of default include (a) failure by NPI to comply in any material respect with the Framework Plan, or with the terms of the Lease Agreement (if failure is not remedied within 90 days after written notice); (b) NPI abandons the premises; or (c) NPI is bankrupt or insolvent; and

- At termination, all assets, including the premises and revenue from all sources, must be returned to MPEA. If donations cannot be legally transferred due to the intention of the donor, NPI and MPEA must mutually agree to the disposition.

The contributed fair value of the lease is not presented on the financial statements due to the absence of verifiable measurement criteria.

NOTE C - INVESTMENTS

The following table summarizes the types of investments, including deferred compensation investments, as of December 31:

	2024	2023
Type of investments:		
Mutual funds and exchange-traded funds	$ 378,514	$ 255,234
Domestic equity securities	60,681	38,966
U.S. treasuries	1,483,980	1,482,915
Corporate bonds	452,000	562,000
Commercial paper	3,985,824	2,979,855
Total investments, at fair value	$ 6,360,999	$ 5,318,970

NOTE D - FAIR VALUE OF FINANCIAL INSTRUMENTS

NPI evaluates its financial instruments in accordance with the fair value disclosure requirements of U.S. GAAP, which requires use of a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels: quoted market prices in active markets for identical assets or liabilities (Level 1); inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly (Level 2); and unobservable inputs for an asset or liability (Level 3).

The following methods and assumptions are used to estimate the fair value of NPI's financial instruments:

Cash equivalents are money market funds carried at cost as an approximation of fair value.

Mutual funds and exchange-traded funds, domestic equity securities, U.S. treasuries, commercial paper, and corporate bonds are carried at fair value, based upon quoted market prices on nationally recognized securities exchanges (Level 1 inputs) or on quoted market prices of similar securities by relying on these securities relationship to other benchmark quoted prices (Level 2 inputs). These techniques make use of assumptions that market participants would use in pricing the respective asset and may require some degree of judgment.

NPI's cash equivalents and investments, including restricted cash equivalents and deferred compensation investments, are accounted for at fair value on a recurring basis, using the fair value hierarchy as follows:

	December 31, 2024		
	Level 1	Level 2	Total
Cash equivalents	$ 10,856,967	$ -	$ 10,856,967
Investments:			
Mutual funds and exchange-traded funds	378,514	-	378,514
Domestic equity securities	60,681	-	60,681
U.S. treasuries	1,483,980	-	1,483,980
Corporate bonds	-	452,000	452,000
Commercial paper	-	3,985,824	3,985,824
Total investments - at fair value	$ 1,923,175	$ 4,437,824	$ 6,360,999

	December 31, 2023		
	Level 1	Level 2	Total
Cash equivalents	$ 9,592,340	$ -	$ 9,592,340
Investments:			
Mutual funds and exchange-traded funds	255,234	-	255,234
Domestic equity securities	38,966	-	38,966
U.S. treasuries	1,482,915	-	1,482,915
Corporate bonds	-	562,000	562,000
Commercial paper	-	2,979,855	2,979,855
Total investments - at fair value	$ 1,777,115	$ 3,541,855	$ 5,318,970

Transfers between levels of the fair value hierarchy are recognized on the actual date of the event of the change in circumstance, which caused the transfer. There were no transfers between the levels of the fair value hierarchy in 2024 or 2023.

NOTE E - LIQUIDITY AND AVAILABLE RESOURCES

NPI's financial assets available within one year of the statement of financial position date for general expenditures are as follows as of December 31:

	2024	2023
Cash and cash equivalents	$ 16,730,032	$ 15,267,452
Short-term investments	5,921,804	5,024,770
Accounts receivable, net	1,743,302	2,607,239
Pledges receivable, net	1,476,240	2,433,504
Total financial resources available within one year	25,871,378	25,332,965
Less: amounts unavailable for general expenditures within one year due to:		
Restricted by donors with purpose or time restrictions	(4,619,896)	(3,317,360)
Contractually-restricted by board designation	(5,147,077)	(5,156,330)
Total amounts unavailable within one year for general expenditures	(9,766,973)	(8,473,690)
Total financial assets available for general expenditures within one year	$ 16,104,405	$ 16,859,275

As part of NPI's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

NOTE F - LEASES

Aside from the lease with MPEA which is detailed in Note B, NPI has operating lease agreements for office equipment and offsite storage expiring in 2023 and 2027, respectively. Certain operating leases provide for renewal options but do not specify a time period. In most cases, NPI is required to make additional payments under facility operating leases for taxes, insurance and other operating expenses incurred during the operating lease period. NPI determines if a contract contains a lease when the contract conveys the right to control the use of identified property or equipment for a period of time in exchange for consideration. Upon such identification and commencement of a lease, NPI establishes a ROU asset, which is included in property and equipment, net, in the statements of financial position and as a current and non-current lease liability in the statements of financial position.

Property recorded in property and equipment, net under finance leases included the following amounts at December 31:

	2024	2023
Leasehold improvements	$ 763,000	$ 763,000
Equipment and other	2,227,983	2,227,983
Less: accumulated amortization	(1,582,070)	(1,297,392)
Net capitalized leased property	$ 1,408,913	$ 1,693,591

Lease liabilities are included in the statements of financial position at December 31:

	2024	2023
Current liabilities		
Finance lease liabilities	$ 403,186	$ 453,756
Operating lease liabilities	125,642	125,642
Total current lease liabiliies	$ 528,828	$ 579,398

	2024	2023
Non-current liabilities		
Finance lease liabilities	$ 308,174	$ 711,361
Operating lease liabilities	207,039	332,681
Total non-current lease liabiliies	$ 515,213	$ 1,044,042

Amortization expense for assets recorded under finance leases is included within depreciation and amortization expense.

The future minimum lease payments under leases are as follows:

Fiscal Years Ending December 31,	Finance Leases	Operating Leases
2025	$ 413,044	$ 129,600
2026	310,589	129,600
2027	-	83,961
Total minimum payments required	723,633	343,161
Less: amount representing interest	(12,273)	(10,480)
Present value of lease obligation	$ 711,360	$ 332,681

Components of lease expense for the year ended December 31, is summarized as follows:

	2024	2023
Lease expenses [(1)]		
Fixed lease expenses - operating	$ 129,600	$ 411,600
Fixed lease expenses - finance	302,803	317,023
Total lease expenses	$ 432,403	$ 728,623

(1) Lease expense represents the amount recorded within the statement of activities. Variable lease amounts represent expenses recognized as incurred which are not included in the lease liability. Fixed lease expenses and sublease income are recorded on a straight-line basis over the lease term and therefore are not necessarily representative of cash payments during the same period.

Payments made on operating leases in 2024 and 2023 were $129,600 and $411,600, respectively. Payments made on finance leases in 2024 and 2023 were $471,881 and $513,626, respectively.

Supplemental statement of financial position information related to leases at December 31, was as follows:

	2024	2023
Weighted average remaining lease term (in months) - financing leases	21	32
Weighted average discount rate - financing leases	1.86%	1.80%
Weighted average remaining lease term (in months) - operating leases	31	43
Weighted average discount rate - operating leases	3.15%	3.15%

NOTE G - DEBT

Debt outstanding at December 31 consisted of the following:

	Interest Rate	Fiscal Year Maturity	2024	2023
Series 2014A Bonds [a]	2.90%	2025	$ -	$ 22,601,679
Series 2014B-R Bonds [b]	Variable	2025	-	16,068,643
Bank construction loan 2017[c]	Variable	2025	-	13,046,113
Bank construction loan 2019[d]	Variable	2026	-	6,538,000
Series 2024A Bonds[e]	4.00%	2049	21,247,000	-
Series 2024B Bonds[f]	5.00%	2049	35,915,000	-
Total debt			57,162,000	58,254,435
Unamortized bond premium			514,436	-
Unamortized debt issuance costs			(1,493,430)	(53,849)
Bonds and loans payable, net			$ 56,183,006	$ 58,200,586

[a] In December 2014, NPI issued $26,500,000 in Illinois Finance Authority (IFA) general obligation bonds, Series 2014A, which were purchased by a lender. The proceeds of the bonds were designated to pay the costs of manufacturing and installing a new Observation Wheel and completing necessary structural improvements to Pier Park. The Series 2014A bonds were interest only through 2017, with principal payments commencing on January 1, 2018, and with a lump-sum payment due on January 1, 2025. Interest on the Series 2014A bonds was payable quarterly in arrears through January 1, 2025 at a fixed rate of 2.90%. The bonds were retired on December 19, 2024 with the issuance of the Series 2024A bonds. Interest paid on this loan in 2024 and 2023 was $761,544 and $665,192, respectively.

[b] In December 2014, NPI issued $20,000,000 in IFA general obligation drawdown bonds, Series 2014B. The proceeds of the bonds were designated for capital projects subject to lender approval, including $15,000,000 for construction of a live performance theater.

In October 2017, the IFA, the lender and NPI entered into the First Amendment to the Bond and Loan Agreement (the First Amendment). The First Amendment issued 2014B-R bonds to replace the prior Series 2014B bonds and the parties agreed to a revised payment schedule and interest rate. Payments on the Series 2014B-R bonds commenced on January 1, 2018 and were payable in a lump sum on January 1, 2025. The Series 2014B-R bonds were retired through the Series 2024B bond issuance.

Interest on the Series 2014B-R bonds was payable quarterly in arrears at a floating rate of 2.10% plus 65.01% of the Term SOFR Rate. The stated interest rate on the Series 2014B-R bonds was 4.93% and 5.45% as of December 19, 2024 and December 31, 2023, respectively. Interest paid on this loan in 2024 and 2023 was $999,627 and $810,388, respectively.

(c) In September 2017, NPI and the lender entered into a Construction Loan Agreement in the amount of $15,500,000 to complete a renovation construction project (Bank Construction loan 2017). The Bank Construction loan 2017 was repaid in installments of $775,000 annually beginning October 1, 2018 with a lump-sum payment due at maturity on January 1, 2025.

Interest on the Bank Construction loan 2017 was payable quarterly in arrears at a floating rate of the one-month SOFR rate plus 1.97%. At December 19, 2024 and December 31, 2023, the stated interest rate on the Construction loan was 6.60% and 7.35%, respectively. In addition to the regularly scheduled 2024 principal payment of $775,000, NPI paid an additional $920,117 in principal on December 18, 2024. The remainder of the Bank Construction loan 2017 was refinanced through the issuance of the Series 2024B bonds. Interest paid on this loan in 2024 and 2023 was $909,611 and $1,458,035, respectively.

(d) In December 2019, NPI and the lender entered into a Construction Loan Agreement in the amount of $6,600,000 to complete a renovation construction project (Bank Construction loan 2019). The Bank Construction loan 2019 was payable in annual installments of $330,000 commencing on January 1, 2023 with a lump-sum payment due at maturity on December 20, 2026. Interest accrued at a floating rate of the one-month SOFR rate plus 1.97%. At December 19, 2024 and December 31, 2023, the stated interest rate on the Bank Construction loan 2019 was 6.60% and 7.35%, respectively. The Bank Construction loan 2019 was refinanced through the issuance of the Series 2024B bonds. Interest paid on this loan was $479,917 and $485,065 in 2024 and 2023, respectively.

(e) On December 19, 2024, NPI issued $21,247,000 of Revenue Bonds, Series 2024A bonds, through the IFA and purchased by a bank. The proceeds were used to refund the Series 2014A bonds. Principal is payable annually October 1, commencing October 1, 2026 through the maturity of the bonds on October 1, 2049. Interest is payable in arrears semi-annually and accrues at a fixed rate of 4.0%. The Bonds are subject to mandatory tender in December 2029, at which time the Bonds may be retained by the bank, remarketed to a new purchaser, or purchased by NPI. Interest expense accrued in 2024 on the Series 2024A bonds was $30,690.

(f) On December 19, 2024, NPI issued $35,915,000 of Revenue Bonds, Series 2024B, through the IFA. The proceeds were used to refund the Series 2014B-R bonds, refinance the Bank Construction loans 2017 and 2019, fund a debt service reserve fund (reserve fund), and fund a portion of the costs associated with the issuance of the bonds. The bonds were issued at a premium of $515,180, resulting in total proceeds of $36,430,180. The bonds are comprised of four term bonds, each of which are subject to annual mandatory sinking fund maturities each October 1, commenting October 1, 2027 through maturity of the bonds on October 1, 2049. Interest is payable in arrears semi-annually and accrues at fixed rate of 5.0%. Interest expense accrued in 2024 on the Series 2024B bonds was $64,911. The reserve fund of $2,678,662 is classified as “cash and investments – restricted” on the statement of financial position as of December 31, 2024.

Interest expense for the years ended December 31, 2024 and 2023 was $2,840,505 and $2,964,989, respectively.

All debt is secured by the general revenue and a leasehold mortgage of NPI. Required principal payments for bonds and loans as of December 31, 2024 are as follows:

Year Ending December 31,	
2025	$ -
2026	541,000
2027	1,423,000
2028	1,488,000
2029	1,559,000
Thereafter	52,151,000
	$ 57,162,000

NOTE H - EMPLOYEE BENEFITS AND RETIREMENT PLANS

401(k) Plan

NPI offers its employees who have either (a) reached the age of 21 and have completed 1,000 hours of continuous service in their anniversary year or (b) reached the age of 21 and have completed 500 hours of service per year for each of the three preceding years a Section 401(k) deferred compensation retirement plan (the Plan). The Plan commenced effective August 1, 2013. NPI contributes to the Plan for eligible non-represented employees, and the Plan also permits eligible employees to defer a portion of their salaries. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Plan only allows for voluntary contributions from union employees.

The provisions of the Plan allow eligible employees to contribute a portion of current earnings up to limits established by the Internal Revenue Service. NPI contributes 3% of earnings for eligible employees. NPI also made a discretionary matching contribution equal to 100% of the first 3% of eligible compensation contributed by the eligible employee, for a total maximum employer contribution of 6%.

Eligible employees are automatically enrolled at 3% of compensation into the Plan, and have the option to modify contributions on a monthly basis.

All assets of the Plan are held in a trust in the name of the Plan and are used exclusively to pay benefits to the participants and their beneficiaries. As such, NPI does not report the assets and liabilities of the retirement plans in the accompanying financial statements.

NPI contributed $415,198 to the Plan during the year ended December 31, 2024 and $400,390 to the Plan during the year ended December 31, 2023.

457(b) Plan

NPI offers certain senior employees a defined contribution retirement plan (the 457(b) Plan) under Section 457(b) of the IRC. The 457(b) Plan commenced September 1, 2019 and permits eligible employees to contribute up to 100% of their gross earnings on a pretax basis, subject to IRC limitations. Though the 457(b) Plan allows for NPI to make contributions, it did not do so in 2024 or 2023. Employee contributions are remitted to a third-party custodian and are used to purchase investments at the participant’s direction. Until paid or made available to the participant or beneficiary, all deferred amounts and investment earnings related to deferral amounts are solely the property of NPI and are subject to claims of NPI’s general creditors. Participants’ rights under the 457(b) Plan are equal to those of a general creditor of NPI. Assets of the 457(b) Plan are recorded on the accompanying statements of financial position in cash and cash equivalents, and investments. Assets and liabilities under the 457(b) Plan are recorded on the accompanying statements of financial position “deferred compensation investments” and non-current “accounts payable and deferred compensation”, respectively. Assets and corresponding liabilities for the 457(b) Plan were $460,944 and $301,582 at December 31, 2024 and 2023, respectively.

Multiemployer Retirement Plans

NPI contributes to several defined benefit multi-employer pension plans under the terms of collective-bargaining agreements which cover its union-represented employees. The risks of participating in these multi-employer plans are different from single-employer plans in the following respects:

a Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers;

b If a participating employer stops contributing to the plan, the unfunded obligations of the Plan may be borne by the remaining participating employers; and

c If NPI chooses to stop participating in any of its multi-employer plans, NPI may be required to pay those plans an amount based on NPI’s proportionate share of unfunded vested plan benefits, referred to as a withdrawal liability.

NPI participates in six multi-employer defined benefit plans, three of which are material to NPI’s financial position. NPI’s participation in the plans which cover Carpenter, Painter, and Stagehand employees is outlined in the following table. “EIN/Pension Plan Number” provides the Employee Identification Number (“EIN”) and the three-digit plan number. The most recent Pension Protection Act (“PPA”) zone status available is for the plan’s year-end. The zone status is based on information that NPI received from the plan and is certified by the plan’s actuary. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded. “FIP/RP Status” indicates plans for which a financial improvement plan (“FIP”) or a rehabilitation plan (“RP”) is either pending or has been implemented.

	Carpenters	Painters	Stagehands
Pension Fund	Chicago Regional Council of Carpenters Pension Fund	Chicago Painters and Decorators Pension Fund	Stagehands Local Two Retirement Plan
EIN/pension plan number	36-6130207/001	51-6030238/001	36-6099766/001
Expiration date of collective bargaining agreement	5/31/2029	5/31/2027	12/31/2029
NPI contributions			
2024	$ 115,345	$ 136,784	$ 234,893
2023	118,134	138,875	183,758
Plan year-end of most recent Form 5500 filing	6/30/2024	3/31/2024	12/31/2023
PPA Zone status			
Most recent year	Green	Green	Green
Two years prior	Green	Green	Green
FIP/RP status	Not applicable	Not applicable	Not applicable
Surcharge imposed	No	No	No
NPI contributed more than 5% of total contributions	No	No	No

NPI contributed a total of $118,610 and $96,790 to three other defined benefit multi-employer plans in 2024 and 2023, respectively. NPI also contributed $296,795 and $229,028 to various defined contribution multi-employer plans in 2024 and 2023, respectively.

NOTE I - NET ASSETS WITH DONOR RESTRICTIONS

All net assets with donor restrictions at December 31, 2024 and 2023 are restricted by donors for either purpose or time restriction. Such amounts will be released to net assets without donor restrictions when the long-lived assets are placed in service or at collection of the pledge.

Net assets with donor restrictions as of December 31 are as follows:

	2024	2023
Purpose restricted		
Arts, culture, and engagement programming	$ 3,700,933	$ 4,471,746
Facility improvements	3,748,634	2,318,870
Time restricted	521,141	841,984
	$ 7,970,708	$ 7,632,600

NOTE J - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by the donors for the years ended December 31 are as follows:

	2024	2023
Purpose restricted		
Arts, culture, and engagement programming	$ 1,449,841	$ 1,178,100
Facility improvements	-	100,000
Time restricted	382,533	272,822
	$ 1,832,374	$ 1,550,922

NOTE K - RELATED PARTY TRANSACTIONS

MPEA procures a pollution insurance policy on behalf of NPI. Costs for services purchased from the MPEA totaled approximately $13,000 and $22,000 for the years ended December 31, 2024 and 2023, respectively.

NPI utilizes a legal firm for bond counsel services, where a current board member is a partner in a separate practice area from the bond counsel group. NPI’s engagement with this firm predates the board member's service. Total payments to the firm totaled approximately $195,000 and $30,000 for the years ended December 31, 2024 and 2023, respectively.

NPI received contributions from board members and life trustees, as well as contributions from foundations and corporations directed by board members and life trustees. Contributions from board members and life trustees totaled approximately $584,000 and $600,000 for the years ended December 31, 2024 and 2023, respectively. Contributions directed by board members and life trustees totaled approximately $242,000 and $1,300,000 for the years ended December 31, 2024 and 2023, respectively.

NOTE L - RISK MANAGEMENT

NPI is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to customers, employees, contractors, or vendors; and natural disasters. NPI utilizes a comprehensive insurance program for its property and casualty coverage provided by commercial insurance carriers.

NPI is subject to legal proceedings arising in the course of its normal business activities. In the opinion of management, any such matters will be resolved either through insurance coverage or without material adverse effect on NPI's financial position or change in net assets.

SUPPLEMENTAL SCHEDULE

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Close | Add a Program | Mark Complete | Comment

	CSFA #	Program Name	State	Federal	Match	Total
View	420-25-2167	Tourism Private Sector Grant Program	270,034.46	0.00		270,034.46
View	420-25-2168	Tourism Attraction Grant Program	0.00	0.00		0.00
View	420-25-2973	Illinois Travel and Tourism Grant Program	98,416.99	0.00		98,416.99
View	420-27-2645	Tourism Attractions & Festivals Grant Program	0.00	0.00		0.00
View	422-30-0103	Coastal Management Program	0.00	35,521.00		35,521.00
View	503-00-0882	Creative Sector	49,200.00	0.00		49,200.00
Edit		All other federal expenditures		297,829.55		297,829.55
		Totals:	417,651.45	333,350.55	0.00	751,002.00

Please note the following:

- The CYEFR is pre-populated with programs based on existing State-issued awards in the CSFA. These programs cannot be removed. If no spending occurred in a program, leave the amounts at zero.
- If a program is missing, please click the "Add a Program" button and select the State agency and State program from the dropdown list provided.
- Any items in red must be fixed before the CYEFR can be marked complete.
- When finished updating the CYEFR, click the "Mark Complete" button and continue to the next step.

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Cancel Save

Agency	Department Of Commerce And Economic Opportunity (420)
Program	Tourism Private Sector Grant Program (420-25-2167) *This program as added due to awards found in the CSFA. It cannot be removed.*
State Amount Expended	$ 270034.46
Federal Amount Expended	$ 0.00

Expended Amount	**Category**
270034.46	Expenditures for all budget lines for DCEO grants
270,034.46	**Total Direct Expended**

Cancel Save

Illinois Grant Accountability and Transparency Act
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Cancel Save

Agency	Department Of Commerce And Economic Opportunity (420)
Program	Illinois Travel and Tourism Grant Program (420-25-2973) *This program as added due to awards found in the CSFA. It cannot be removed.*
State Amount Expended	$ 98416.99
Federal Amount Expended	$ 0.00

Expended Amount	Category
98416.99	Expenditures for all budget lines for DCEO grants
98,416.99	**Total Direct Expended**

Cancel Save

Illinois Grant Accountability and Transparency Act
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Cancel Save

Agency	Department Of Natural Resources (422)
Program	Coastal Management Program (422-30-0103) *This program as added due to awards found in the CSFA. It cannot be removed.*
State Amount Expended	$ 0.00
Federal Amount Expended	$ 35521.00

Expended Amount	Category
0.00	Personal Services (Salaries and Wages)
0.00	Fringe Benefits
0.00	Travel
0.00	Equipment
0.00	Supplies
0.00	Contractual Services
35521.00	Consultant (Professional Services)
0.00	Construction
0.00	Occupancy - Rent and Utilities
0.00	Research and Development
0.00	Telecommunications
0.00	Training and Education
0.00	Direct Administrative Costs
0.00	Miscellaneous Costs
35,521.00	**Total Direct Expended**
0.00	Indirect Costs
35,521.00	**Total Amount Expended**

Cancel Save

Illinois Grant Accountability and Transparency Act
Grantee Portal - Audit Consolidated Year-End Financial Report

Cancel Delete Save

Agency	Illinois Arts Council (503)
Program	Creative Sector (503-00-0882)
State Amount Expended	$ 49200.00
Federal Amount Expended	$ 0.00

Expended Amount	Category
0.00	Personal Services (Salaries and Wages)
0.00	Fringe Benefits
0.00	Travel
0.00	Equipment
0.00	Supplies
0.00	Contractual Services
0.00	Consultant (Professional Services)
0.00	Construction
0.00	Occupancy - Rent and Utilities
0.00	Research and Development
0.00	Telecommunications
0.00	Training and Education
0.00	Direct Administrative Costs
49200.00	Miscellaneous Costs
49,200.00	**Total Direct Expended**
0.00	Indirect Costs
49,200.00	**Total Amount Expended**

Cancel Delete Save