



Annual Report January 1 to December 31, 2018
SHIRLEY-EUSTIS HOUSE ASSOCIATION



MISSION STATEMENT

The Shirley-Eustis House Association (SEHA) is a private, nonprofit 501 (c) 3 corporation with the following mission statement:

The Shirley-Eustis House Association exists to preserve, maintain and interpret the Shirley-Eustis House and grounds as a museum for the education and enjoyment of the public. The Association seeks to engage the broadest possible community in understanding the role of Shirley Place, since its construction as a Royal Governor's Mansion in 1747, as it reflects the beginning of our nation and the history of Roxbury and Boston.

HISTORY

SEHA was founded in 1913 by legendary Preservationist William Sumner Appleton. It is one of the oldest Preservation Societies in the Commonwealth of Massachusetts. The Shirley-Eustis House was built by William Shirley and remodeled by William Eustis. It was declared a National Historic Landmark in 1960. In the 1980's the Mansion underwent extensive restoration spearheaded by architect Robert G. Neiley. In 1991 the restoration won a Boston Preservation Alliance award for the best-restored small-scale structure in the City of Boston. The roster of individuals who devoted their time, talent and treasure to the preservation of Shirley Place is long and illustrious. *The house, like its many owners, inhabitants and guests, tells a unique and compelling story of times of flourish, challenge and survival.* It is an early American architectural treasure with an exterior the late preservationist Abbott Lowell Cummings is said to have described as exemplifying some of the best fabric of both the Colonial and Federal period.

Front cover image: The Shirley-Eustis House, Roxbury, Massachusetts, built for Royal Colonial Governor William Shirley (1694-1771) in 1746 - 1747, remodeled in the Federal period and owned between 1819 and 1865 by Massachusetts Governor William (1753-1825) and Caroline Langdon Eustis (1780 - 1863). Photo by Jennifer Roesch.

LEADERSHIP REPORT

William S. Kuttner, President, Board of Governors; Chief Executive Officer, SEHA

The year 2018 was, for the Shirley-Eustis House Association, one marked by profound change. April brought the retirement of President Alison Simmons. Vice President William Kuttner was chosen to succeed her and Ms. Simmons became Vice President. In early May the Shirley-Eustis House Association suffered a great loss in the sudden and unexpected passing of long time Treasurer and Lifetime Member Marlowe A. Sigal. J. Archer O'Reilly III assumed the position of Interim Treasurer and Mary T. Flynn was named Interim Secretary. The new leadership team quickly developed a successful working relationship, both amongst themselves and with the Board. In early fall Alison Simmons relinquished her seat as Governor due to major time constraints and the office of Vice President was left vacant until the 2019 Annual Meeting.

SEHA continued its ongoing Strategic Planning efforts, which include developing a clear vision for the organization as well as a three year plan which will focus on improving internal operations, increasing preservation efforts, and developing closer ties to our members and local community. Reviewing countless aspects of our complicated 105 year old corporation is a monumental yet exciting and long overdue task. With the increasing revitalization of the Dudley section of Roxbury now underway, SEHA is poised to become an even more important local historic and cultural neighborhood resource. By strengthening our ability to govern and optimally manage our organization we will be better positioned to become an integral contributor to Boston's Roxbury neighborhood.

Although SEHA lost four other esteemed Governors in 2018, it gained three new and highly talented ones. In September, pursuant to Article III of the By Laws, Governors eliminated several vacancies by appointing Michael E.N. Genovese, Alexandra K. Koblan and Stephen R. Vitello to fill seats formerly held by Elisabeth A. Pendery, Alison Simmons and Elspeth Eustis Taylor. The seats left vacant by Lisa Bynoe and Marlowe A. Sigal went unfilled for the remainder of the year. Each new Governor brought pertinent skills, knowledge and expertise ranging from Development/Grant Writing to Marketing to Capital Projects Management. In September Governors elected to the Board of Overseers Robert J. Allison, Chair, History Department, Suffolk University, Arnold E. Sapenter, (former) environmental agency administrator, community leader and volunteer, and Alison Simmons, Assistant Director of the Roxbury International Film Festival. Our Nominating Committee continues to be actively engaged in efforts to identify and recruit dedicated individuals from relevant professions and diverse communities.

It has been my honor to serve as President since June of 2018. Looking forward, I am eager to continue to work closely with the Executive Committee, the Board of Governors and the Board of Overseers to ensure the continuing success of the Shirley-House House Association.

William S. Kuttner

President, Board of Governors

BUILDINGS AND GROUNDS

William B. Finch, Chair

In 2018 the Buildings and Grounds Committee oversaw an \$84,780 major repair project involving the painting of the Mansion's exterior and repair/replacement of clapboarding and wood. Due to a later than expected start, inclement fall weather and the early onset of winter temperatures, the completion of the work was delayed until spring of 2019. 2W Painting Inc. and NAPCO are serving as contractors.

The Buildings and Grounds Committee also worked closely with the Finance and Budget Committee to develop a list of priority exterior repairs. It is hoped that repairs, including ones to the Carriage House roof and the gazebo as well as replacement of rear patio paving and several important gates and fences, can soon be funded through donations and grants. Interior projects including ceiling repair and paint touch up have also been identified as high priorities.



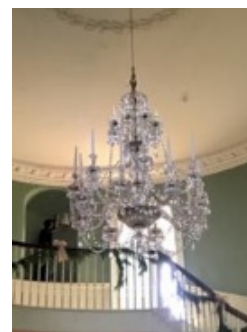
Painters from 2W Painting Inc. prepped the Mansion's Garden entrance. Photo: Magdalena Taber



Fall 2018.



Winter 2018. Collections Committee Chair Rick Detwiller sorted and tagged artifacts in the attic.



December 9th. Our Georgian chandelier was officially dedicated to its donors, Dr. and Mrs. Edward Peirson Richardson.

COLLECTIONS

Frederic C. Detwiller, Chair

In 2018 the Collections Committee identified objects and areas most in need of conservation, including the crystal chandelier, a Federal Sheraton Commode, portraits of Frances Barker Shirley and William Eustis, a Banjo clock, an Empire mirror, a Chinese sewing table, and a Chateau fireboard. The Committee is optimistic that donations and grants can be obtained to complete this critical work in 2019/2020. The Committee, assisted by staffer Jennifer Roesch, also sorted and tagged important artifacts in the Mansion's attic and entertained a visit from Trustees of the Joan Pearson Watkins Revocable Trust, Jonathan Fairbanks and Mary Szpanka, who toured the site and viewed the items donated to SEHA by the estate.

At the Holiday party the Committee honored long time donor and Former Governor Margaret Eustis Richardson and her late husband Dr. Edward Peirson Richardson by formally dedicating SEHA's beautiful c. 1780's chandelier to them. Purchase of the spectacular Georgian sixteen candle lighting fixture, most likely Waterford crystal, was made possible by a generous contribution from Dr. and Mrs. Richardson in 1985. Said once to have once hung in St. John's College, Oxford, it now adorns our Great Hall.

EDUCATION AND EXHIBITS COMMITTEE and Archaeology Standing Committee

Steven R. Pendery, Chair

The *Watkins and Windsors Exhibit* opened on September 15th. Curated by Steven R. Pendery, Ph.D., Anthropology, and Guest Curator Elisabeth “Elisa” A. Pendery, M.A., C.A.G.S., Fine Arts Conservation, the exhibit chronicles the history of the iconic Windsor chair. *Watkins and Windsors* was made possible by a generous donation of colonial and federal period furnishings from the estate of Joan Pearson Watkins. A noted potter and educator, she was married to Malcolm Watkins, the first Curator at Old Sturbridge Village and later Senior Curator at the Smithsonian’s National Museum of History and Technology. The couple’s professional passion for American material culture is reflected in their personal collecting as well as this exhibit. The informational pamphlet and exhibit catalog were made possible by SEHA and a fund established by a posthumous donation from former SEHA Vice President Daniel J. Coolidge. The exhibit ends in September of 2019.

The Windsor Chair Exhibit includes fourteen chairs from the Watkins estate as well as two from private collections. They illustrate most of the chair styles popular in the Northeast between about 1790 and 1850. The exhibit features informational posters, exhibit cases containing tools and chair parts, and a video showing the turning of chair parts and images of Windsor chairs in artwork.



Watkins and Windsors Exhibit Opening. Curator Steven R. Pendery is on the left. Photo: Magdalena Taber



Public Volunteers from Boston’s City Archaeology Program.



October 2018. Excavations were conducted in the rear courtyard.

The Shirley Place property was subject to its first systematic archaeological excavations in October 2018, conducted by public volunteers from Boston’s City Archaeology Program under the direction of Joe Bagley. It was hoped that the dig would help answer questions as to the precise location of the Mansion before it was moved in the 19th century and the material lifestyle and diet of its residents from all periods. The dig focused on the paved courtyard near the staff entrance, an area to be slated to eventually be disturbed by a re-surfacing project.

Through excavation, potentially significant features such as foundations and soil deposits are documented and the information analyzed and reported on. If something of great significance is discovered, project construction can be shifted to avoid it. Besides site preservation, another goal is educating the Boston public through volunteering or observing the archaeology process. This sets an important precedent for proper management of Shirley-Eustis House archaeological resources in the future. City Archaeologist Joe Bagley and his team are processing findings at their West Roxbury lab and may return in the spring of 2019 to conduct a “ground penetrating radar survey” to locate past features on our historic site.

PUBLICATIONS

Jane O'Reilly, Chair

In December SEHA received the remainder of a \$10,000 pledged donation from Judith Avery and Ralph J. Crandall to publish 150 copies of a 2nd edition of "William Shirley: King's Governor of Massachusetts" by John A. Schutz as well as handle marketing and sales and fulfillment for any copies ordered. Ms. Avery and Mr. Crandall, both former students of the author, are committed to helping make his biography about Royal Governor Shirley more easily available to interested audiences.

The Shirley biography was first published in 1961. John A. Schutz, who died in 2005, was a prominent academic and author who once chaired the USC history department. Professor Schutz also served as President of both the American Historical Association and the American Studies Association. His work focused on Colonial America.

The 2nd edition of "William Shirley: King's Governor of Massachusetts" will include a new foreward written by SEHA Overseer Robert J. Allison, Ph.D., Chair, Suffolk University History Department, Boston, MA as well as the following articles/essays: "John A. Schutz (1919 -2005): An Appreciation" by Michael H. Gorn; "Genealogy of the Shirley Family in the USA" by John A. Schutz; "John Schutz's William Shirley: A Landmark in the Study of Colonial Politics" by the late William Pencak, Professor Emeritus of history at Penn State University.

The goal of the SEHA is to complete publication of the 2nd edition before December 2nd, 2020 as December 2nd, 2019 will mark the beginning of the 325th anniversary year of William Shirley's birth.



Detail of Portrait of William Shirley by Charles Curran after Thomas Hudson.

Gift to the SEHA, 1985

EVENTS

Jeanne E. Richardson, Chair

March 17th Evacuation Day Luncheon/Hosted by then MA State Representatives Nick Collins and Evandro Carvalho the public event featured members of the Lexington Minutemen and The Massachusetts Sons of the American Revolution who fired their muskets in the SEHA front courtyard. The luncheon was part of a day long Evacuation Day Celebration organized by State Representatives and the Evacuation Day Heritage Commission. It followed Historical Exercises at Fort Hill in Roxbury. The fortification, designed by Henry Knox, prevented the British from breaking out of Boston during the siege. Governor J. Archer O'Reilly III, a Henry Knox re-enactor, made appearances at Fort Hill and the Mansion.

April 23rd Annual Meeting/Guest speaker Karla Rosenstein, Site Manager, Eustis Estate.

May 13th Tea: Community Event/SEHA's first ***Mother-Daughter Tea*** was inspired by the ante-bellum tradition favored by Caroline Langdon Eustis. She frequently hosted teas parties for young girls at Shirley Place. Twelve girls, selected by principals from local Roxbury schools, along with their mothers, were treated to a traditional tea in the Great Hall on Mother's Day afternoon.

June 2nd Public Open House/Free tours of the Mansion, Grounds and Ingersoll-Gardner Carriage House.

June 23rd RoxFilm20: Coffee + Conversation with Topper Carew/ A free event part of the Roxbury International Film Festival. The public joined Roxbury native, award winning screenwriter, film director, television writer and producer Topper Carew for a conversation.

July 15th Summer Garden Party with Old South Meeting House/ Collaborative event featuring a special tour and tea on the Front Lawn.

September 15th Watkins and Windsors Exhibit Opening/ SEHA celebrated the formal opening of its new exhibit, *Watkins and Windsors*. The Special Event included a wine and cheese reception and violin/viola performances by classical music duo Vintage String (Vanessa Buttolph and Diane Hastings). Guests were invited to view the exhibit, tour the house and attend a lecture by fine furnishings maker Daniel W. Santos in the Ingersoll - Gardner Carriage House. Mr. Santos is highly regarded for his reproductions of 18th century period furniture and has lectured on the history of the Windsor chair at prestigious museums, including Winterthur.

December 9th Annual Holiday Party/The holiday event featured a beautifully decorated Shirley Place, festive food and beverages and violin music of the late 18th to mid- 19th centuries performed by Peng Yi. Boston Poet Laureate Danielle Legros Georges read her own work, "*Praisesong for Boston*", as well as Rumi's "*In Your Light*". The party's theme, "Holidays Glow at Shirley Place", was inspired by The Season of Light and our beautiful 18th c. chandelier. Governor Frederic C. "Rick" Detwiler gave a moving tribute to the donors of the chandelier, Margaret Eustis Richardson and her late husband Dr. E.P. Richardson. Later, Overseer Professor Robert Allison offered a brief summary of the construction of the Mansion by Royal Governor William Shirley. It was noted that December 2nd had marked the 324th anniversary of his birth in 1694. This year's party drew record attendance and included Lifetime Members as well as newcomers. The festivities were topped off by a merry carol sing led by Interim Treasurer J. Archer O'Reilly III. As a gift to the community, a **Neighbors Party** immediately followed.

Pictorial Highlights of SEHA's 2018 Events:



Evacuation Day Luncheon March 17th. Executive Director Una McMahon greeted members of the Lexington Minutemen and Massachusetts Sons of the American Revolution. Photo: Magdalena Taber



Annual Meeting April 23rd. Incoming President William S. Kuttner, (Right) reviewed his notes.



Mother-Daughter Tea May 13th. Minuteman and Colonial re-enactor Rich Howell gave a talk on William Shirley. Photo: Magdalena Taber



RoxFilm 20: Topper Carew with Lisa Simmons (L) and Alison Simmons of the Roxbury International Film Festival.



July 15th A Summer Garden Party was held in collaboration with Old South Meetinghouse. Photo: Magdalena Taber



Watkins and Windsors Exhibit Opening, September 15th. Governor and Exhibit Curator Steven R. Pendery joined *Vintage String* duo Vanessa Buttolph and Diane Hastings in performing musical pieces. Photo: Magdalena Taber



Daniel Santos lectured in the Carriage House on September 15th. Photo: Magdalena Taber



Annual Holiday Party December 9th
Violinist Peng Yi played J. Massenet's "Thais" and "The Adagio" by Bach during a brief solo performance. Photo: Magdalena Taber



View of the Great Hall from a balcony.
Photo: Magdalena Taber



Our youngest guests met and mingled. Photo: Magdalena Taber



Events Committee Chair Jeanne E. Richardson welcomed a new Member. Photo: Magdalena Taber.



Interim Treasurer J. Archer O'Reilly prepares for the carol sing. Photo: Lori Parkinson.



INVESTMENT AND OPERATIONAL ANALYSIS, *J. Archer O'Reilly III, Interim Treasurer*

FINANCE AND BUDGET COMMITTEE, *Mary T. Flynn and Paula M. Merek, Co-Chairs*

The Shirley-Eustis House Association's Investments are held at Bank of America/US Trust and its operating account at Santander Bank. A separate cash fund is held at Fidelity Investments. The Association's CPA prepared the 2018 annual financial statements and performed a review engagement with respect to the statements.

SEHA's total assets were \$2,318,200* as of December 31, 2018, down from \$2,708,200 as of December 31, 2017. This is largely attributable to the impact of volatility in the equity markets that reduced the value of investments following strong performance in calendar year 2017. The Association's total revenue and support, inclusive of all investment activities and contributions, equaled (\$174,400) versus \$501,300 in FY 2017 and was the result of both weaker performance and lower operating revenues.

Total expenses, inclusive of major repair projects, were \$228,800 in 2018 versus \$276,000 in 2017. Total Program, General Administrative and Fund Raising expenses were \$157,600 in 2018 versus \$126,500 in 2017. The increase was in large part due to 12 months of staffing salaries rather than 9.5 months during the prior year, higher costs associated with professional services, office and utilities, an extraordinary cost associated with Collections, and production of the *Watkins and Windsors* Exhibit.

The market value of SEHA's investments was \$2,177,500 at December 31, 2018 compared to \$2,532,400 at December 31, 2017. This was due to volatility, especially in December. Income from Net Assets currently finances a significant portion of annual operating and major restoration expenses.

Total Net Assets at Year End 2018 were \$2,290,600 versus \$2,693,800 at Year End 2017. While the value of Board Designated and Perpetual Endowments remained the same, Undesignated Endowment decreased to \$144,500 from \$481,300 in 2017 due to investment losses and appropriations. Purpose Restricted Funds decreased to \$145,600 from \$212,000 as the result of appropriations. In 2018 SEHA drew around 5.55% on the three year rolling average of its investment account. The excess .55% was the result of unplanned, unavoidable additional expenses related to mansion wood and clapboard repair.

In order to increase transparency and better understand and manage operating revenues and expenses the Finance and Budget Committee oversaw the redesign of SEHA's Chart of Accounts. Professional bookkeepers were engaged to assist in the effort and will continue to provide expertise and advice to both staff and the Finance and Budget Committee. As a result of P&L Statements which now report revenues and expenses on a detailed and cost centered basis, the Finance and Budget Committee was able to better guide the Board in developing its 2019 Annual Operating Budget.

Note*: The Mansion, Ingersoll-Gardner Carriage House, furnishings, objects and numerous parcels of land are not assigned a dollar value because they are considered invaluable. Land listed under assets represents only more recently added "buffer" parcels that are not considered to be part of the collection.

SHIRLEY-EUSTIS HOUSE ASSOCIATION 2018 FINANCIAL STATEMENTS

Shirley Eustis House Association Financial Statements Years Ended December 31, 2018 & 2017 with Independent Accountant's Review Report are included at the end of the 2018 Annual Report.

The Shirley-Eustis House Association would like to thank the following generous donors:

Robert Allison, In Memory of Marlowe Sigal

Peter Ambler and Lindsay Miller

Anonymous, in Honor of Jennifer Roesch

Richard and Beverly Armour

Dalton Avery

Linda Cabot Black

F. Gorham Brigham III

David and Deborah Brooks in Honor of J. Archer O'Reilly III

James J. Calmas

Frances Colburn

Representative Nick Collins (for the Evacuation Day Luncheon)

Ralph J. Crandall (for the publication of the 2nd edition of "William Shirley: King's Governor of Massachusetts")

Margaret Curtis

Charles and Sheila Donahue

Robert English

William B. Finch

Bonnie Gossels

Elaine and Werner Gossels

Nora Grealley

Harriet B. McGraw Charitable Fund

Alan Hoffman

Chobee Hoy

Mr. and Mrs. Edward C. Johnson III (for the preservation and protection of The S-E House)

Martin J. Kain

William S. Kuttner

Norman Marsh

Massachusetts Society of the Cincinnati (for Education related to the American Revolution)

Mary C. Mehlman in Honor of her mother Mary C. Caner

Nina Meyer

David Mittell Jr.

New Market Community Partners

J. Archer O'Reilly III

Kat Pasek

Steven R. Pendery

John J. Petrowsky

William and Maureen Poole

Beatrice Porter

Theodore Raia

Jeanne Richardson

Margaret E. Richardson

Jenette Roberge

Susan J. Singer

Joseph Spang

Peter Stott

Hooker Talcott Jr.

Stephen R. Vitello

Renee von Krause and Terry Westmacott

Linda Woodbury

In-Kind Contributions and Donations of Goods:

Denise Breitenicher, Holiday Party cookies

J. Archer O'Reilly, holiday greens

Jeffrey D. Cronin, Mother-Daughter Tea desserts

Elisa. Pendery, bouquets for *Watkins & Windors* Event

Haley House Café, Open House pastries

Steven R. Pendery, Vintage String performance,

Alexandra K. Koblan, Holiday Party peanut brittle

portion of flat screen monitor, Holiday Party dessert

Katie O'Reilly, Holiday Party cookies

Estela Rosario, floral arrangements and table dressings

MEMBERS DURING 2018 (Rolling Basis)

Lifetime (for whom we have current information)

Mr. & Mrs. Vernon Alden

Mr. & Mrs. Robert Eustis

Susan Paine

Rodney Armstrong

Mr. & Mrs. Graham Gund

Rev. Michael Shirley

Robert Banker

John Bradford Hermanson

Elise Sigal

Linda Cabot Black

Anne Eustis Hough

Ruth C. Wyman

David & Caroline Case

Blanche Hunnewell

Frances Colburn

Mr. & Mrs. Edward C. Johnson

Janet Eustis

Mary C. Mehlman

Governor's Circle (\$500)

Harold Carroll
 Linda Dorcena Forry
 Bonnie Gossels
 Jenette Roberge
 Hooker Talcott
 Thomas H. Townsend

Landmark Patron (\$250)

Martin J. Kain
 Mary C. Mehlman
 Nina R. Meyer
 Margaret E. Richardson

Sustainer Level (\$100)

Robert J. & Phyllis Allison
 Diane Arenella
 Beverly Armour
 Jacqueline Blombach
 David & Deborah Brooks
 Lisa Bynoe
 Jeffrey D. Cronin

Sustainer Level (\$100)

Cynthia & Richard Chapman
 Avery Dalton
 Steve Eustis
 David Bryan Glascock
 William S. Kuttner
 Anne E. Hough

Sustainer Level (\$100)

William Leaf-Herrmann
 Brian Maloney, Sr.
 Regina Mullen
 Steven & Elisa Pendery
 Beatrice Porter
 William W. Owens, Jr.

Sustainer Level (\$100)

Theodore Raia
 Charles Sullivan
 Thomas Thaler
 William Wheeler
 Stephen & Virginia White
 Linda Woodbury

Family (\$40.00)

Peter Ambler & Lindsay Miller
 Charles Butts
 Leonard & Marie Campo
 Elizabeth Coffey
 Frederic & Ellen Detwiller
 Charles & Sheila Donahue
 William B. and Rose Finch
 Alan Hoffman
 Alexander R. Holliday III
 Richard and Nancy Lamb
 Sheila Leahy
 Celia Lees-Low
 Ruthe L'Esperance
 Kat Pasek
 Elizabeth Platt
 William & Maureen Poole

Individual (\$25.00)

Gary Bailey
 Justina Chu
 Helene Dmochowski
 John Every
 Mary T. Flynn
 Patricia Gillis
 Stephen Jerome
 Stephen D. Landrigan
 Catherine C. Lastavica
 Harriet B. McGraw
 Una McMahon
 Paula M. Merek
 John Millar
 David Mittell Jr.
 Sulo Musyaju
 James S. Nicolson

Individual (\$25.00)

J. Archer O'Reilly III
 Jane O'Reilly
 Lori Parkinson
 Jeanne E. Richardson
 Susan J. Singer
 Patricia J. Smith
 Joseph P. Spang
 R. Newcomb Stilwell
 Peter Stott
 Earl R. Taylor
 Stephen R. Vitello
 William Walczak
 Walter Waldron
 Eleanor Wendell

SEHA COMMITTEES

EXECUTIVE COMMITTEE

William S. Kuttner

J. Archer O'Reilly, III

Mary T. Flynn

BUILDING AND GROUNDS COMMITTEE

William B. Finch, Chair

Frederic C. Detwiller

J. Archer O'Reilly, III

Stephen R. Vitello

COLLECTIONS COMMITTEE

Frederic C. Detwiller, Chair

William B. Finch

J. Archer O'Reilly III

EDUCATION AND EXHIBITS COMMITTEE

Steven R. Pendery, Chair

Elisabeth A. Pendery

James S. Nicolson

EVENTS COMMITTEE

Jeanne E. Richardson, Chair

Jeffrey Cronin

Helene Dmochowski

Alexandra K. Koblan

Paula M. Merek

Patricia J. Smith

Past: Lisa Bynoe, Chair

FINANCE AND BUDGET COMMITTEE

Mary T. Flynn and Paula M. Merek, Co-Chairs

Bonnie Gossels

J. Archer O'Reilly III, *Ex-Officio*

Past: Elspeth Eustis Taylor, Chair

NOMINATING COMMITTEE

Jeanne E. Richardson, Chair

Mary T. Flynn

Bonnie Gossels

Paula M. Merek

PUBLICATIONS COMMITTEE

Jane O'Reilly, Chair

J. Archer O'Reilly III

STANDING COMMITTEE/Archaeology

Steven R. Pendery, Coordinator

Frederic C. Detwiller

William B. Finch

Board of Governors

William S. Kuttner, *President*

J. Archer O'Reilly, *Interim Treasurer*

Mary T. Flynn, *Interim Secretary*

Frederic C. Detwiller

Michael E.N. Genovese

William B. Finch

Alexandra K. Koblan

Paula M. Merek

James S. Nicolson

Jane O'Reilly

Steven R. Pendery

Jeanne E. Richardson

Patricia J. Smith

Stephen R. Vitello

In Memoriam:

Marlowe S. Sigal, *Treasurer*

Past:

Lisa Bynoe

Elisabeth A. Pendery, *Secretary*

Alison Simmons, *Pres. & V.P.*

Elsbeth Eustis Taylor

Board of Overseers

Robert J. Allison

Frederic C. Detwiller

Jonathan L. Fairbanks

William B. Finch

Linda Dorcena Forry

Bonnie Gossels

William S. Kuttner

David Lambert

Dean Lampros

Nina R. Meyer

J. Archer O'Reilly III

Jeanne E. Richardson

Byron Rushing

Arnold E. Sapenter

Alison Simmons

Sylvia Q. Simmons

Hooker Talcott

Thomas H. Townsend

In Memoriam:

Marlowe A. Sigal

Past:

Elsbeth Eustis Taylor

Staff (during 2018)

Una V. McMahon, *Executive Director*

Mary T. Concannon, *Programming*

Jessica Joshi-Musyaju, *Bookkeeping*

Jennifer Roesch, *Social Media*

Summer Docents:

Samuel Baltrusis

Samuel Clarvoe

Jared Hornsby

Sabina Sullivan

VOLUNTEERS

Many thanks go to the numerous individuals who generously contributed their time and talent to the Shirley-Eustis House Association in 2018.

Robert J. Allison	Bonnie Gossels	Arnold E. Sapenter
Carol Blew	Danielle Legros George	Alison Simmons
Dyan Blewett	Rich Howell	Sylvia Q. Simmons
Denise Breitenicher	Katie McGaw	Peter Stott
Sgt. Micah Brinson	Mary Lou O'Connor	Magdalena Taber
Francesca Cipriani	Michael O'Day	Althea Wegman-Bolster
Jeffrey Cronin	Lori Parkinson	Sarah Weinstein
Christina Curtis	Elisa Pendery	Suffolk County House of Corrections
Helene Dmochowski	Estela Rosario	Tufts University FOCUS Students
Art Frieger	Kara Rosenstein	Renee von Krause

SEHA is a small organization, with limited operating funds, a small staff and very complex needs. In order to successfully fulfill its challenging mission it relies heavily on a deeply committed Working Board, active Overseers and devoted volunteers, members, donors and trusted vendors. Collectively, Governors, Overseers and Volunteers contributed over 3,100 hours of service to SEHA in 2018. Some, along with guests and visitors who enjoyed Shirley Place in 2018, appear in the following photographs.



Massachusetts
Master Gardener
Association
Volunteers



Tufts University FOCUS students.
In late August incoming Freshmen
helped clean and organize the
Carriage House and weed its
gardens.



Land of Plenty proprietor Ben
Crouch and his team have pruned
and cultivated our orchards since
2002.



A child found delight skipping
through our grounds following the
Mother-Daughter Tea.



Floral Artist Estela Rosario of Dahlia's Garden donated her services and arrangements for many of our events.



Dahlia's Garden features locally grown flowers and foliage in their designs. Photo: Helene Dmochowski



Staffer Mary T. Concannon (rear left) greeted visitors during the June Open House. The Haley House Café donated pastries for the event.



Overseer Professor Robert J. Allison (L) of Suffolk University spoke at the Evacuation Day Luncheon. Henry Knox/J. Archer O' Reilly III and event co-sponsor State Representative Evandro Carvalho looked on. Photo: Magdalena Taber



Staffer Jennifer Roesch helped identify and tag artifacts stored in the Mansion's attic. Photo: Frederic C. Detwiller



Watkins and Windsors Guest Curator Elisabeth A. Pendery helped paint platforms and prepare the Exhibit Room. Steven R. Pendery, Exhibit Curator, constructed many of the platforms.



Holiday party guests explored the Drawing Room. Photo: Magdalena Taber



Summer docent Jared Hornsby (L) greeted the descendants of John Reed, who owned Shirley Place from 1782-1791. Reed began the first of a series of the mansion's many restorations.



Poet Laureate of The City of Boston Danielle Legros Georges (standing L) graced Holiday party guests with two readings. Photo: Frederic C. Detwiller



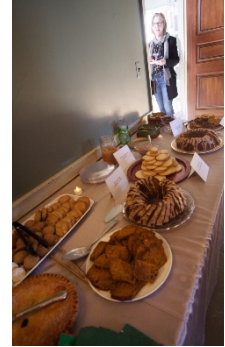
The Events Committee served guests at the Mother-Daughter tea.



Kara Rosenstein, Site Manager of the Eustis Estate (L), lectured on its recent major renovations during the SEHA Annual Meeting.



Governors helped staff the Holiday party. Photo: Magdalena Taber.



Volunteers baked holiday desserts. Photo: Magdalena Taber



Photo: Magdalena Taber



Holiday Party. Photo: Magdalena Taber



Holiday Party guests viewed Watkins and Windsors. Photo: Magdalena Taber



Old South Meeting House Garden Party guests toured the mansion with Summer Docent Jared Hornsby. Photo: Magdalena Taber



A Shirley descendant visited from England in September. Photo: Una McMahon

For more information please contact:

The Shirley-Eustis House Association

33 Shirley Street

Roxbury, Massachusetts 02119

Phone: 617-442-2275

Email: governorshirley@gmail.com

Website: www.shirleyeustishouse.org

IN MEMORIAM: MARLOWE A. SIGAL (1930 – 2018)

On May 4, 2018 Marlowe A. Sigal, beloved Governor, sitting Treasurer and Former President, passed away in Newton. His contributions to SEHA were enormous as for 50 years he worked first to save and then ensure the sound future of the organization.

From the 1970's to the 1980's Marlowe played a pivotal role in initiating and completing the restoration of Shirley Place. He, along with other key volunteers including David Mittell Sr., Daniel J. Coolidge, Lila Mehlman, Joe Long, Robert Neiley, Arthur E. Beane and Marjorie Drake Ross, served as the crucial Restoration Committee from 1980 to 1985. When the restoration project began the Mansion was in ruinous condition and its landscape small and forlorn. The expansive and elegant grounds one enjoys today are a result of Marlowe spearheading efforts to assemble jumbled parcels of odd house lots and reincorporated them into our present setting.

With the help of Marlowe's leadership, wise counsel and perseverance, SEHA created its Endowment in the early 1990's. During his tenure as Treasurer he oversaw several very successful capital campaigns as well as the relocation of the Ingersoll-Gardner Carriage House to our Rockford Street property. In addition to helping restore the Mansion, Marlowe played a significant role in the historic landscape redesign of both our existing and newly acquired properties, including the creation of our traditional Roxbury Orchard.

In addition to serving as a fiscal steward, Marlowe was an active member of both the Building and Grounds and Furnishings (now Collections) Committees.

Marlowe was a Renaissance man in the truest sense: musician/saxophonist, Naval Lieutenant, expert in the preservation and restoration of antique musical instruments and world class collector, architectural preservationist, chemist, businessman, photographer, community leader, museums board member, husband and father, dignified gentleman.

Generations of Governors, Overseers and Members of the Shirley-Eustis House Association are grateful for Marlowe's service and contributions. Although he is greatly missed, his legacy lives on as we move forward. In his honor and memory we dedicate this 2018 Annual Report.



1980 to 1985 SEHA Restoration Committee, L to R: Marlowe Sigal, Dave Mittell Sr., Dan Coolidge, Lila Mehlman, Joe Long, Bob Neiley. Photo: courtesy of Frederic C. Detwiller



Marlowe played the tenor saxophone in marching bands in high school and continued to do so throughout the remainder of his life. For seventy years he marched with the Harvard University band, first as a student and then as an alumnus. Photo: from Andrew Sigal's blog, The Uncarved Block.



Shirley Place 2018

Shirley-Eustis House Association

Financial Statements

Years Ended December 31, 2018 & 2017

with

Independent Accountant's Review Report

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Governors
Shirley-Eustis House Association
Boston, Massachusetts:

We have reviewed the accompanying financial statements of Shirley-Eustis House Association (the Association) (a nonprofit organization) which comprise the statement of financial position for the year ended December 31, 2018 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our report.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial

statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

The 2017 financial statements were reviewed by us and in our report dated February 20, 2018, we reported that we were not aware of any material modifications that should be made to them in order for them to be in conformity with accounting principles generally accepted in the United States of America

A handwritten signature in black ink, appearing to be "Li A.", written in a cursive style.

February 12, 2019

Shirley-Eustis House Association
Statement of Financial Position
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Assets		
Current Assets:		
Cash	\$ 23,700	\$ 63,000
Accounts receivable	- 0 -	5,500
Other current assets	9,700	- 0 -
Total Current Assets	33,400	68,500
Investments	2,177,500	2,532,400
Collections (see notes to financial statements)	-	-
Land	106,300	106,300
Restricted cash	1,000	1,000
Total Assets	\$2,318,200	\$2,708,200
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 1,700	\$ 8,400
Accrued expenses	25,900	6,000
Total Current Liabilities	27,600	14,400
Total Liabilities	27,600	14,400
Net Assets:		
Without Donor Restrictions:		
Undesignated	144,500	481,300
Board designated for endowment	1,544,400	1,544,400
Total Without Donor Restrictions	1,688,900	2,025,700
With Donor Restrictions:		
Purpose restricted	145,600	212,000
Perpetual endowment	456,100	456,100
Total With Donor Restrictions	601,700	668,100
Total Net Assets	2,290,600	2,693,800
Total Liabilities and Net Assets	\$2,318,200	\$2,708,200

See accompanying notes and independent accountant's review report

Shirley-Eustis House Association
Statement of Activities
Year Ended December 31, 2018
(With comparative totals for 2017)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2018</u>	<u>Total 2017</u>
Support:				
Contributions	\$ 12,700	\$ 5,000	\$ 17,700	\$ 43,200
Rental income	29,800		29,800	26,800
Admissions, tours	800		800	400
Public programs	1,400		1,400	11,800
Investment income (net)	(177,500)	(46,600)	(224,100)	418,200
Other Income			- 0 -	900
Net assets released from restrictions	24,800	(24,800)	- 0 -	- 0 -
Total Revenue & Support	<u>(108,000)</u>	<u>(66,400)</u>	<u>(174,400)</u>	<u>501,300</u>
Expenses:				
Program	90,200		90,200	86,700
General and administrative	59,800		59,800	34,400
Fund raising	7,600		7,600	5,400
Total Expenses	<u>157,600</u>	<u>- 0 -</u>	<u>157,600</u>	<u>126,500</u>
Excess/(Deficit) of Support over Expenses	<u>(265,600)</u>	<u>(66,400)</u>	<u>(332,000)</u>	<u>374,800</u>
Amounts paid for collections and restorations	71,200		71,200	149,500
Change in Net Assets	<u>(336,800)</u>	<u>(66,400)</u>	<u>(403,200)</u>	<u>225,300</u>
Beginning Net Assets	2,025,700	668,100	2,693,800	2,468,500
Ending Net Assets	<u>\$1,688,900</u>	<u>\$601,700</u>	<u>\$2,290,600</u>	<u>\$2,693,800</u>

See accompanying notes and independent accountant's review report

Shirley-Eustis House Association
Statement of Functional Expenses
Year Ended December 31, 2018
(with comparative totals for 2017)

	<u>Preservation of House</u>	<u>Other Programs</u>	<u>Total Program</u>	<u>General & Admin.</u>	<u>Fund- Raising</u>	<u>Total 2018</u>	<u>Total 2017</u>
Staffing	\$ 41,700		\$ 41,700	\$39,100	\$ 6,200	\$ 87,000	\$ 68,000
Fundraising			- 0 -		900	900	- 0 -
Insurance	8,100		8,100	700		8,800	8,200
Maintenance & repairs	15,300		15,300			15,300	18,900
Membership & governance			- 0 -			- 0 -	- 0 -
Museum/Curatorial	500		500			500	- 0 -
Office	3,400		3,400	3,200	500	7,100	5,400
Other programs		\$ 3,500	3,500			3,500	4,100
Other			- 0 -	6,000		6,000	- 0 -
Professional services			- 0 -	10,400		10,400	6,200
Public programs & use		1,900	1,900			1,900	- 0 -
Public relations			- 0 -	400		400	1,300
Security alarms	2,300		2,300			2,300	1,600
Utilities	13,500		13,500			13,500	12,800
Total	<u>84,800</u>	<u>5,400</u>	<u>90,200</u>	<u>59,800</u>	<u>7,600</u>	<u>157,600</u>	<u>126,500</u>
Collections & restoration	71,200		71,200			71,200	149,500
Total Expenses	<u>\$156,000</u>	<u>\$ 5,400</u>	<u>\$161,400</u>	<u>\$59,800</u>	<u>\$ 7,600</u>	<u>\$228,800</u>	<u>\$276,000</u>

The accompanying notes are an integral part of the financial statements

Shirley-Eustis House Association
Statement of Cash Flows
Years Ended December 31, 2018 & 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Change in net assets	(\$403,200)	\$ 225,300
Adjustments to reconcile change in net assets to cash provided by operating activities:		
(Unrealized Gain)/Loss on investments	414,300	(199,300)
Decrease/(Increase) in accounts receivable	5,500	(5,500)
(Increase) in other current assets	(9,700)	- 0 -
(Decrease)/Increase in accounts payable	(6,700)	5,700
Increase in accrued liabilities	19,900	1,500
Net cash from operations	<u>20,100</u>	<u>27,700</u>
Cash flows from investing activities:		
Purchases of investments	(203,700)	(232,000)
Proceeds from sale of investments	144,300	148,100
Net cash from investing activities	<u>(59,400)</u>	<u>(83,900)</u>
Cash flows from financing activities:		
Net cash from financing activities	<u>- 0 -</u>	<u>- 0 -</u>
Net change in cash	<u>(39,300)</u>	<u>(56,200)</u>
Cash, beginning of year	64,000	120,200
Cash, end of year	<u>\$ 24,700</u>	<u>\$ 64,000</u>
Interest paid	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
Income taxes paid	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>

See accompanying notes and independent accountant's review report

Shirley-Eustis House Association
Notes to Financial Statements

NOTE 1 -- Organization and Purpose:

The Shirley-Eustis House Association, (the Association) was incorporated as a not-for-profit corporation in 1913 under the laws of the Commonwealth of Massachusetts. The Association exists to preserve, maintain and interpret the Shirley-Eustis House and Grounds as a museum for the education and enjoyment of the public. The Association seeks to engage the broadest possible community in understanding the role of Shirley Place, since its construction as a Royal Governor's mansion in 1747, as it reflects the beginning of our nation and the history of Roxbury and Boston.

The primary sources of funding for the Association are investment income and contributions from supporters.

NOTE 2 -- Summary of Significant Accounting Policies:

Income Tax Exemption

The Association is exempt from Federal and State income taxes under the provisions of Section 501(a) of the Internal Revenue Code as an entity described in Section 501(c)(3). Therefore, no provision for income taxes has been made.

The Association has been determined to be other than a private foundation by the Internal Revenue Service.

The Association believes that all income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would be material. Accordingly, there is no provision for related reserves as of December 31, 2018 or 2017.

Basis of Presentation

These financial statements have been prepared on the accrual basis of accounting.

Comparative Totals

Prior year information is presented in summary form for comparative purposes only and is not a complete presentation in conformity with accounting principles generally accepted in the United States.

Presentation of Net Assets by Class

Net assets are classified in each of the following three classes:
(a) unrestricted net assets, (b) temporarily restricted net

Shirley-Eustis House Association
Notes to Financial Statements

NOTE 2 -- Summary of Significant Accounting Policies (continued):

Presentation of Net Assets by Class (continued)

assets, and (c) permanently restricted net assets. Net assets of the two restricted classes are created only by donor-imposed restrictions on their use. All other net assets, including board-designated or appropriated amounts, if any, are legally unrestricted, and are reported as part of the unrestricted class.

Cash and Cash Equivalents

The Association considers all highly liquid investments with a maturity of three months or less to be cash and cash equivalents for the purpose of the statement of cash flows.

Restricted cash consists of a deposit received from a tenant.

Contributions Receivable

Contributions receivable are recorded for unconditional promises to give at their net realizable value.

There were no contributions receivable at December 31, 2018 or 2017.

There were no contributions receivable written off as uncollectible during the year ended June 30, 2018 or 2017.

Investments

Investments in equity securities with readily determinable fair values, mutual funds, and all investments in debt securities are reported at fair value in the statement of financial position. Realized and unrealized gains/losses and investment income are recorded in the statement of activities as changes in unrestricted net assets, unless their use is restricted by explicit donor-imposed stipulations or law, in which case they are reported in the appropriate restricted class of net assets.

Investments in equity securities, mutual funds, and bonds are valued at fair market value as determined by the last reported sales price on the last business day of the year.

Realized gains and losses are computed based on cost at the time of acquisition.

Board Designated Funds

The Board has designated unrestricted funds for the purpose of supplementing the existing permanent endowment. The assets are

Shirley-Eustis House Association
Notes to Financial Statements

NOTE 2 -- Summary of Significant Accounting Policies (continued):

Board Designated Funds (continued)

invested with other unrestricted funds and investment income is allocated to the endowment.

Fixed Assets

Equipment is recorded at cost or, if donated, at fair market value. Expenditures for equipment in excess of \$5,000 are capitalized. Lesser amounts are expensed. Depreciation on equipment is calculated on the straight-line basis over an estimated useful life of five years.

Expenditures for repairs and maintenance are charged to expense as incurred.

As of December 31, 2018 and 2017 there had been no expenditures for equipment qualifying for capitalization.

Land

Land represents a vacant lot and other surplus land abutting the property on which the house is located acquired from the City of Boston (the City). In purchasing the lot, the Board believed that any lot abutting the property would be desirable to control and may serve some future purpose.

Accessions and de-accessions

Accessions of artifacts and reconstruction of the buildings and landscape are expensed when purchased. De-accessions are recognized as revenue when sold.

Sale of Artifacts

The Board has adopted guidelines set by the American Association of Museums for sale of furniture and other artifacts. Proceeds from such sales are to be used solely for the purchase of other similar items or direct care of collections. As of December 31, 2018 and 2017 there were no funds designated for accessions.

Revenue

Contributions with no donor-imposed restrictions are recorded as unrestricted public support. Contributions with donor-imposed restrictions or given as part of the permanent endowment fund are recorded as either temporarily restricted or permanently restricted resources based on the nature of the restriction.

Shirley-Eustis House Association
Notes to Financial Statements

NOTE 2 -- Summary of Significant Accounting Policies (continued):

Revenue (continued)

Temporary restrictions arise from purpose-specific program restrictions and/or time restrictions. Upon the lapse of such restrictions, temporarily restricted support is reclassified to unrestricted support and reported in the statement of activities as net assets released from restrictions.

Restricted contributions whose restrictions are met in the same reporting period in which the contribution is received are recorded as unrestricted.

Contributions that are restricted in perpetuity by the donor are recorded as permanently restricted public support.

Unconditional promises to give are recorded as public support at their net realizable value. Conditional promises to give are not included as public support until such time as the conditions are substantially met.

Functional Allocation of Expenses

The costs of providing programs and the administration of the Association have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

In-Kind Support and Donated Services

A number of unpaid volunteers, including members of the Board of Governors (the Board) and members of the community have made significant contributions of their time to the Association. When the value of the time contributed is subject to objective measurement it is reflected in the financial statements as donated services revenue and expense.

For the years ended December 31, 2018 and 2017 there was no in-kind support recorded in the financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 could differ from those estimates.

Shirley-Eustis House Association
Notes to Financial Statements

NOTE 2 -- Summary of Significant Accounting Policies (continued):

Fair Value

The Association adopted the criteria for Fair Value Measurements. These criteria define fair value, establish a framework for measuring fair value and expand disclosures about fair value measurements. These criteria establish a fair value hierarchy that prioritizes the inputs and assumptions used to measure fair value. The three levels of the fair value framework are as follows:

Level I: Inputs that reflect unadjusted quoted prices in active markets for identical assets and liabilities at the measurement date.

Level II: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level III: Inputs that are unobservable.

A qualifying asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement.

The Association's assets and liabilities have been historically valued at fair market values using Level I inputs.

Concentration of Credit Risk

The Association's significant concentration of credit risk consists primarily of cash. As of December 31, 2018 and 2017 the Association's excess available cash was deposited in a money market account at a major financial institution.

Subsequent Events

Subsequent events are transactions or events that occur after the statement of financial position date, but before the financial statements are issued or available to be issued. The accompanying financial statements include the evaluation of subsequent events that have occurred through the opinion date of these financial statements, which is the date the financial statements were available to be issued.

Shirley-Eustis House Association
Notes to Financial Statements

NOTE 3 - Liquidity and Funds Availability:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the Statement of Financial Position date, are comprised of the following:

	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 23,700	\$ 63,000
Earnings on board designated endowment	177,000	462,300
Available for expenditure	<u>\$200,700</u>	<u>\$525,300</u>

Endowment funds consist of donor-restricted endowments and funds designated by the board as endowment. Income from donor-restricted endowments is restricted until board appropriation. Donor-restricted endowment funds are not available for general expenditure.

NOTE 4 -- Collections:

The Association owns a significant collection of objects including the house itself, a National Historic Landmark; the Gardner Carriage House; and antiques and objects, some of which were owned by the Eustis and Shirley families. Most objects are from the 18th or early 19th century, some are modern reproductions. All are catalogued and cared for according to American Association of Museum guidelines.

NOTE 5 -- Investments:

Investments are comprised of the following:

	<u>2018</u>		<u>2017</u>	
	Market Value	Cost	Market Value	Cost
Money market funds	\$ 43,300	\$ 43,300	\$ 86,500	\$ 86,500
Corporate equities	1,791,900	1,709,800	2,123,500	1,634,500
Corporate bonds	341,400	342,700	322,400	315,300
Total	<u>\$2,176,600</u>	<u>\$2,095,800</u>	<u>\$2,532,400</u>	<u>\$2,036,300</u>

Investments are managed by a professional investment advisor.

Shirley-Eustis House Association
Notes to Financial Statements

NOTE 6 -- Endowment Funds:

Donor contributions that are intended for perpetual investment as part of the endowment, the income from which is to be utilized by the Association in meeting its exempt purpose, are classified as net assets without donor restrictions. The income generated by these funds is available for appropriation and accordingly are also classified as net assets with donor restrictions until such time as these amounts are appropriated for expenditure. Amounts appropriated are reclassified to net assets without donor restrictions at the time of appropriation.

The Board has adopted a policy of appropriating up to 5% of the total endowment to be used in support of the Association's operations.

Amounts designated for endowment by the Board and earnings on these amounts are classified as net assets without donor restrictions.

Endowment net assets are comprised of the following:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Board Designated	\$1,544,400		\$1,544,400
Earnings on Board Designated	177,000		177,000
Original donor gifts	-	\$456,100	456,100
Unappropriated earnings on original gifts		- 0 -	- 0 -
Total Endowment	<u>\$1,721,400</u>	<u>\$456,100</u>	<u>\$2,177,500</u>

Reconciliation of endowment beginning and ending balances:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Beginning Balance	\$2,006,700	\$525,700	\$2,532,400
Contributions	-	- 0 -	- 0 -
Net investment income	(177,700)	(46,500)	(224,200)
Appropriations	(107,600)	(23,100)	(130,700)
Ending Balance	<u>\$1,721,400</u>	<u>\$456,100</u>	<u>\$2,177,500</u>

Shirley-Eustis House Association
Notes to Financial Statements

NOTE 7 -- Net Assets:

Without Donor Restrictions

Net assets without donor restrictions consist of net assets without donor restrictions.

The Board has designated a portion of the net assets without donor restrictions to be treated as a part of the perpetual endowment.

With Donor Restrictions

Net assets with donor restrictions consist of contributions designated for a specific purpose by the donor as well as amounts designated by the donor for perpetual investment or were raised as a part of the perpetual endowment. Earnings on the perpetual endowment are considered to be net assets with donor restrictions until such time that they are appropriated for expenditure by the Board.

Net assets with donor restrictions are comprised of the following:

	<u>2017</u>	<u>Additions Received</u>	<u>Amounts Released</u>	<u>2018</u>
Collections	\$ 1,000			\$ 1,000
Coolidge catalog	7,700		\$ 1,500	6,200
Education	1,000	\$ 3,000		4,000
Eustis book	5,500			5,500
Landscape	92,200		300	91,900
Outreach	11,200			11,200
Schutz Book	8,000	2,000		10,000
Thaler Fund	15,700			15,700
Unappropriated endowment income	69,600	(46,600)	23,000	- 0 -
Total	<u>\$212,000</u>	<u>(\$ 41,600)</u>	<u>\$ 24,500</u>	<u>\$145,600</u>