THE CALIFORNIA MUSEUM FOR HISTORY, WOMEN AND THE ARTS

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT

YEARS ENDED DECEMBER 31, 2025 AND 2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The California Museum for History
Women, and the Arts
Sacramento, California

Opinion

We have audited the accompanying financial statements of The California Museum for History, Women and the Arts (the Museum), which comprise the statements of financial position as of December 31, 2025 and 2024, 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 financial statements referred to above present fairly, in all material respects, the financial position of the Museum as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and

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therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Gilbert CPAs

GILBERT CPAs
Sacramento, California

August 7, 2026

THE CALIFORNIA MUSEUM FOR HISTORY, WOMEN AND THE ARTS

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 1,072,174	$ 1,561,772
Certificates of deposit	2,042,528	2,622,993
Grants and accounts receivable	3,972,125	2,211,500
Prepaid expenses	25,350	18,282
Inventory	29,302	17,466
Total current assets	7,141,479	6,432,013
PROPERTY AND EQUIPMENT, Net	3,176,553	3,403,389
COLLECTIONS	970,000	970,000
LEASEHOLD INTEREST IN PROPERTY	6,348,446	736,132
TOTAL ASSETS	$ 17,636,478	$ 11,541,534
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable		$ 18,382
Accrued expenses	$ 108,975	92,102
Refundable advances	177,500	4,036
Deferred revenue	55,060	
Total current liabilities	341,535	114,520
NET ASSETS:		
Without donor restrictions	10,636,555	10,438,076
With donor restrictions	6,658,388	988,938
Total net assets	17,294,943	11,427,014
TOTAL LIABILITIES AND NET ASSETS	$ 17,636,478	$ 11,541,534

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

THE CALIFORNIA MUSEUM FOR HISTORY, WOMEN AND THE ARTS

STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2025 AND 2024

NET ASSETS WITHOUT DONOR RESTRICTIONS:	2025	2024
REVENUES:		
Grants	$ 2,706,065	$ 2,212,330
Donated services and goods	410,915	731,584
Admission fees	249,552	209,911
Interest income	146,640	154,645
Facility rental	78,990	110,534
Museum store sales	96,435	85,466
Contributions	70,202	37,326
Gold Rush Grille	22,718	22,387
Memberships	26,476	11,601
Other income	12,172	359
Donated use of facilities	211,615	
Net assets released from restrictions	2,329,274	2,768,398
Total revenues	6,361,054	6,344,541
EXPENSES:		
Program services:		
Exhibits	2,820,042	2,728,143
Education	1,628,063	1,606,204
Public information	289,637	227,810
Museum store	219,291	240,650
Hall of Fame	149,732	300,530
Facility rental	90,471	78,281
Volunteer	58,665	44,114
Unity	5,684	238,381
Total program services	5,261,585	5,464,113
Supporting services:		
General and administrative	794,743	696,705
Development and membership	106,247	70,441
Total expenses	6,162,575	6,231,259
INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	198,479	113,282
NET ASSETS WITH DONOR RESTRICTIONS:		
Contributions and grants	63,167	223,395
Contribution of leasehold interest in property	7,935,557	
Net assets released from restrictions	(2,329,274)	(2,768,398)
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	5,669,450	(2,545,003)
INCREASE (DECREASE) IN NET ASSETS	5,867,929	(2,431,721)
NET ASSETS, Beginning of Year	11,427,014	13,858,735
NET ASSETS, End of Year	$ 17,294,943	$ 11,427,014

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

THE CALIFORNIA MUSEUM FOR HISTORY, WOMEN AND THE ARTS

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Exhibits	Education	Public information	Museum store	Hall of fame	Facility rental	Volunteer	Unity	General and administrative	Development and membership	Total
Amortization of leasehold interest	$ 1,184,853	$ 801,519		$ 127,777					$ 209,094		$ 2,323,243
Personnel	260,100	462,734	$ 184,154	8,842	$ 80,706	$ 67,136	$ 40,877	$ 3,833	281,007	$ 82,581	1,471,970
Depreciation	746,048		7,526						2,146		755,720
Donated use of facilities, services, and goods	317,490	214,773		34,239					56,028		622,530
Payroll tax and employee benefits	35,310	57,802	33,867	8,931	7,412	16,973	13,719	351	70,352	16,216	260,933
Exhibits	159,551	222			3,471				1,350		164,594
Events and programs	4,390	61,242	2,548	49	56,675	1,753	3,125	1,500	3,881		135,163
Office expenses and supplies	93,622	16,310	3,834	(1,812)	1,468	6	316		12,405	1,708	127,857
Professional fees	6,314								112,042		118,356
Dues, licenses, and subscriptions	1,181	5,920	16,830	1,063			528		13,102	3,082	41,706
Insurance	10,458								30,940		41,398
Advertising			40,841								40,841
Inventory		21	37	37,446		1	100		60	196	37,861
Bank and processing fees		1,481		2,756		4,602			413	2,464	11,716
Education and training		5,794									5,794
Travel, conference, and meetings	725	245							1,923		2,893
Total	$ 2,820,042	$ 1,628,063	$ 289,637	$ 219,291	$ 149,732	$ 90,471	$ 58,665	$ 5,684	$ 794,743	$ 106,247	$ 6,162,575

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

THE CALIFORNIA MUSEUM FOR HISTORY, WOMEN AND THE ARTS

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Exhibits	Education	Public information	Museum store	Hall of fame	Facility rental	Volunteer	Unity	General and administrative	Development and membership	Total
Amortization of leasehold interest	$ 1,279,445	$ 865,508		$ 137,978					$ 225,787		$ 2,508,718
Personnel	178,192	372,071	$ 143,011	4,374	$ 85,771	$ 59,741	$ 33,321	$ 3,554	201,083	$ 52,661	1,133,779
Depreciation	670,985		11,455					226,984			909,424
Donated use of facilities, services, and goods	373,108	252,396		40,237					65,843		731,584
Payroll tax and employee benefits	30,034	40,473	21,180	11,978	7,380	14,350	9,552	333	59,520	10,103	204,903
Exhibits	105,669	2,821	60					145	1,153		109,848
Events and programs	19,452	58,414	3,758		191,293	1,607	400	1,500	1,329		277,753
Office expenses and supplies	65,568	4,415	1,143	2,407	15,693	637	304	5,633	23,644	2,563	122,007
Professional fees		2,070							77,648		79,718
Dues, licenses, and subscriptions	70	5,058	9,637	309			537		10,478	2,270	28,359
Insurance	2,615								29,264		31,879
Advertising	2,209	762	37,566					232	200		40,969
Inventory				41,251							41,251
Bank and processing fees	796	686		2,116	393	1,946			356	2,844	9,137
Education and training		1,530									1,530
Travel, conference, and meetings									400		400
Total	$ 2,728,143	$ 1,606,204	$ 227,810	$ 240,650	$ 300,530	$ 78,281	$ 44,114	$ 238,381	$ 696,705	$ 70,441	$ 6,231,259

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

THE CALIFORNIA MUSEUM FOR HISTORY, WOMEN AND THE ARTS

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	$ 5,867,929	$ (2,431,721)
Reconciliation to net cash provided by operating activities:		
Contribution of leasehold interest in property	(7,935,557)	
Amortization of leasehold interest in property	2,323,243	2,508,718
Depreciation	755,720	909,424
Accrued interest on certificates of deposit	(124,873)	(95,908)
Changes in:		
Grants and accounts receivable	(1,760,625)	670,621
Prepaid expenses	(7,068)	(6,380)
Inventory	(11,836)	978
Accounts payable	(18,382)	3,808
Accrued expenses	16,873	19,892
Refundable advances	173,464	(9,661)
Deferred revenue	55,060	3,660
Net cash provided (used) by operating activities	(666,052)	1,573,431
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of certificate of deposit	(3,531,578)	(1,500,000)
Redemption of certificate of deposit	4,236,916	
Purchases of property and equipment	(528,884)	(355,924)
Net cash provided (used) by investing activities	176,454	(1,855,924)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(489,598)	(282,493)
CASH AND EQUIVALENTS, Beginning of Year	1,561,772	1,844,265
CASH AND EQUIVALENTS, End of Year	$ 1,072,174	$ 1,561,772

1. ORGANIZATION AND NATURE OF ACTIVITIES

The California Museum for History, Women and the Arts (the Museum) is a nonprofit organization originally formed in 1987. The Museum's principal purpose is to operate the Museum, located in Sacramento, California pursuant to a Memorandum of Understanding and Operating Agreement between the Museum and the California Secretary of State (the State)

Basis of presentation – The financial statements are prepared on the accrual basis of accounting and in conformity with professional standards applicable to not-for-profit entities. The Museum reports information regarding its financial position and activities according to two classes of net assets based on the existence or absence of donor or grantor-imposed restrictions: *Net assets without donor restrictions* and *Net assets with donor restrictions.*

Revenue recognition – Contributions, including grants from private foundations and corporations, are recognized in full when received or unconditionally promised, in accordance with professional standards. Conditional contributions are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the condition. The Museum receives certain government grants, which limit spending to qualifying expenditures as defined in grant agreements. Amounts received in advance of the incurrence of qualifying expenditures, or explicit release of condition from the donor, are recorded as refundable advances. Outstanding conditional promises to give subject to qualifying expenditure requirements were $6,879,921 and $3,821,737 as of December 31, 2025, and 2024, respectively. Outstanding conditional promises to give subject to the occurrence of a special event totaled $177,500 and $0 as of December 31, 2025 and 2024, respectively. These amounts will be recognized as revenue as the conditions are met.

All contributions are considered available for unrestricted use unless specifically restricted by donors for future periods or specific purposes. Donor restricted amounts are reported as increases in net assets with donor restrictions. Net assets with donor restrictions become unrestricted and are reported in the statements of activities as net assets released from restrictions when the time restrictions expire, or the contributions are used for the restricted purpose. The Museum has no net assets with donor restrictions that are perpetual in nature. Donor-restricted contributions that are initially classified as conditional, and for which the donor-imposed conditions and restrictions are met simultaneously, are recognized as net assets without donor restrictions in the statements of activities.

The Museum’s revenue from contracts with customers consists of admission fees, facility rentals, museum store sales, Gold Rush Grille, and membership dues. Revenue is recognized for admissions fees and store sales at time of admission or when goods are purchased by the customer. Facility rental revenue is recognized when the rental event takes place. Membership dues are recognized over the term of the membership period. Any amounts collected in advance are recorded as deferred revenue. Accounts receivable balances from contracts with customers were $16,269, $25,324, and $21,636 as of December 31, 2025, 2024, and 2023, respectively. Deferred revenue from contracts with customers was $55,060 as of December 31, 2025. There were no deferred revenues from contracts with customers as of December 31, 2024 or 2023.

Grants and accounts receivable are stated at the amount management expects to collect from outstanding balances. Management believes that there are no significant uncollectible receivable balances; as such, no allowance for credit losses or allowance for doubtful accounts has been recorded.

Inventory consists of merchandise at the Museum's retail store and is stated at the lower of fair value or cost using the first-in, first-out (FIFO) method.

Functional allocation of expenses – The costs of providing the program services have been summarized on a functional basis in the statements of activities and of functional expenses. Accordingly, certain costs have been allocated among the program services based on management estimates of employee time incurred and usage of resources. Personnel expenses are allocated based on estimates of employees' time incurred. Donated goods, services, and amortization of leasehold interest in facilities provided by the State are allocated based on square footage. All other expenses are allocated based on the usage of resources.

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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Property and equipment – All acquisitions of property, improvements, equipment, and costs for long-standing exhibits in excess of $2,500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of individual assets ranging from 3 to 7 years.

Income taxes – The California Museum for History, Women and the Arts is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and corresponding state statutes.

Cash equivalents – The Museum considers all investments with a maturity of less than three months to be cash equivalents. The Museum maintains its cash balances with one financial institution.

No deposits in excess of the federal depository insurance limits were held as of December 31, 2025 and 2024.

Certificates of deposit are stated at cost plus accrued interest and are expected to be redeemed within one year.

Donated facilities, services, and goods – Donated facilities represent the value of facilities provided to the Museum by the State that are used outside of a multi-year agreement. Donated services, which consist of security staff, and goods are recorded as in-kind support and are recognized at the estimated fair value as of the date of donation or service and presented as donated services and goods on the statement of functional expenses.

The Museum recognizes in-kind revenue for the fair value of contributed services that create or enhance non-financial assets or require specialized skills, which are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Museum relies on volunteer services in order to conduct museum docent activities. The value of this donated time is not reflected in the financial statements, as it does not meet the aforementioned criteria.

Leasehold interest in property – The Museum receives contributed use of property as part of a multi-year agreement with the State. This contribution is considered an unconditional promise to give and is reported as a donor-restricted contribution in the period the agreement is executed and as leasehold interest in property at the fair value of the contributed use of the property in the period it is contributed. The leasehold interest is amortized, and the restrictions are considered satisfied evenly over the term of the agreement.

Advertising costs – Advertising and marketing costs are expensed as incurred. Advertising costs totaled $40,841 and $40,969 in 2025 and 2024, respectively.

Reclassification – Certain 2024 financial statement items have been reclassified to conform with 2025 presentation.

Subsequent events have been reviewed through August 7, 2026, the date the financial statements were issued. Management concluded that no material subsequent events have occurred since December 31, 2025 that require recognition or disclosure in the financial statements.

2. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Museum's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

	2025	2024
Cash and cash equivalents	$ 1,072,174	$ 1,561,772
Certificates of deposit	2,042,528	2,622,993
Grants and accounts receivable	3,972,125	2,211,500
Total financial assets	7,086,827	6,396,265
Less those unavailable for general expenditures within one year due to contractual or donor restrictions:	(309,942)	(252,806)
Total financial assets available for general expenditure within one year	$ 6,776,885	$ 6,143,459

The Museum has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

3. GRANTS AND ACCOUNTS RECEIVABLE

Grants and accounts receivable from various sources as of December 31 are as follows:

	2025	2024
Government grants	$ 3,955,856	$ 2,186,176
Other	16,269	25,324
Total	$ 3,972,125	$ 2,211,500

Management expects all receivable balances to be collected within one year.

4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2025	2024
Exhibits	$ 6,546,568	$ 6,185,301
Improvements	1,274,696	947,625
Construction in progress	132,300	371,789
Computer and software	131,743	131,743
Equipment	125,614	45,579
Website	34,390	34,390
Store equipment	24,139	24,139
Office equipment	16,653	16,653
Total	8,286,103	7,757,219
Less accumulated depreciation	(5,109,550)	(4,353,830)
Net property and equipment	$ 3,176,553	$ 3,403,389

5. COLLECTIONS

The Museum's collections consist of a statue donated to the Museum during 2006 with an appraised value of $950,000 and various other collections valued at a total of $20,000. The Museum has determined that the statue and other collections have historical value and intends to protect and preserve the assets perpetually. As a result, in accordance with professional standards over historical treasures and art that have these characteristics, depreciation is not recognized for the collections.

6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes:

	2025	2024
Leasehold interest in property	$ 6,348,446	$ 736,132
Kim Traversi Memorial Fund	171,679	119,306
Hall of Fame Visionary Donors	69,763	70,000
Unity Center	51,000	51,000
Field trips	5,000	
Renewable Energy exhibit	12,500	12,500
Total	$ 6,658,388	$ 988,938

Leasehold interest in property represents the Museum's interest in use of facilities contributed by the State. Effective May 19, 2025, the Museum renewed their memorandum of understanding with the State which provides for use of space for the Museum's exhibits, gift shop, and administrative offices within the California State Archives building. The agreement extends through June 30, 2028.

7. DONATED FACILITIES, SERVICES, AND GOODS

Donated facilities, services, and goods revenue and expense represent the fair market value of personnel services and goods provided under an agreement with the State. In addition, the Museum may receive other in-kind equipment and supplies donations throughout the year. All donated facilities, services, and goods received by the Museum for the years ended December 31, 2025 and 2024 were considered without donor restrictions and were able to be used by the Museum as determined by the Board and management.

The Museum received the following donated facilities, services, and goods:

	2025	2024
Donated facilities	$ 211,615	
Office expenses and equipment	120,770	$ 443,079
Security services	290,145	288,505
Total	$ 622,530	$ 731,584

8. RETIREMENT PLAN

The Museum maintains a 401(k) plan, which allows employees to defer a portion of their salary up to Internal Revenue Code limits. At the Museum's discretion, it may provide for a 4 percent matching contribution. For the years ended December 31, 2025 and 2024, the Museum made matching contributions of $54,506 and $40,048, respectively, to the retirement plan.

9. CONCENTRATION

During the years ended December 31, 2025 and 2024, 22.4% and 56.7% of revenue and 99.5% and 98.4% of receivables, respectively, for the Museum came from the State of California Department of Parks and Recreation. Although unlikely, possible loss of funding or disallowed costs could have a significant impact on the Museum’s future financial statements.