

General Update

- 1) October 31st Monthly Financials: See page 2 and the attached Financial Statements.
- 2) Form 990 Income Tax Return: The Form 990 was been submitted to the IRS prior to the November 16th deadline. We owed a tax of \$2,660 due to Unrelated Business Income (parking lot leases). The Form 990 for any nonprofit is a public document and can be reviewed by anyone who does a google search; it usually takes 12-18 months before the Form 990 is available on the Internet.
- 3) Audit: The Audit has been received and reviewed by both the Audit Committee and the Finance Committee. You should have received a copy of the final Audit on Saturday. We were delayed submitting the Audit to the BOT, in efforts to get the breakdown of our UUA endowment funds that are invested in Level 1, Level 2, and Level 3/NAV investments (total = \$546,043):
 - (a) **Level 1** assets include listed stocks, bonds, funds, or any assets that have a regular mark-to-market mechanism for setting a fair market value = \$290,431 = 53.19%
 - (b) **Level 2** assets are financial assets and liabilities that do not have regular market pricing, but whose fair value can be determined based on other data values or market prices = \$180,266 = 33.01%
 - (c) **Level 3/NAV** (net asset value per share) assets are financial assets and liabilities that are the most illiquid and hardest to value = \$75,346 = 13.80%
- 4) PPP Loan: No change in the Application for Loan Forgiveness. We are waiting for our bank to give us the go-ahead to apply. Still hoping for a Round 2 of PPP Loan assistance.
- 5) Nursery School Lease: As per their lease, the nursery school enrollment was reviewed at the end of November. Enrollment has increased but only very slightly (current enrollment is 42 children). Monthly rent will step up to \$3,000/month for January -June. We will review the enrollment again in March, and if enrollment has reached 50 children, the rent will increase to \$4,200/month.
- 6) Capital Campaign: Planning for 2021 is ongoing, but as with most everything else, it is complicated by Covid.
- 7) Capital Campaign ADM Internet Account: \$725K of the Capital Campaign funds have been deposited into an Internet Account that distributes the funds into those banks offering the highest return, while at the same time keeping the individual investment below \$250K per bank to ensure we are protected by the FDIC insurance limits. As of October 31st, we have earned \$935.80 in interest, which is a ~0.40% annual rate.
- 8) Finance & Audit Committees: Audit Committee is fully staffed with Bob and Steve. The Finance Committee has lost three members and is looking for 2-3 new members.
- 9) Fiscal Targets: Endowment Funds should be 2-3 times Annual Expense Budget. Available Cash should be 3 times Monthly Expenses:

Endowment Funds* = \$2,905,463	Available Cash** = \$310,841
Annual Expense Budget = \$833,272	Monthly Expenses = \$69,439
Multiple = 3.5 x	
Multiple = 4.48 x	

*Includes \$1,627,496 in "Restricted" funds

**Most available cash has already been earmarked for "Reserves"

Monthly Financial Statements – As of October 31, 2020

Balance Sheet

- 1) Total Assets* = \$7.164M, up \$61K since June = 1% increase, but UUA funds have not been undated since June.
- 2) Total Liabilities = \$145K, down \$69K since June = 32% decrease, due to reposting of Advance Pledge Payments.
- 3) Total Equity = \$7.019M, up \$130K since June = 2% increase

- 4) Current Liabilities and Total Liabilities remain extremely low compared to Current Assets and Total Assets. Most important factor is that we do not have a mortgage on our property. Another factor is that we do not accrue our Accounts Payable on a monthly basis (we use a mixed cash-accrual basis of accounting). If we did accrue our expenses, our Current Liabilities would increase by ~\$70,000/month.

- 5) Capital Campaign funds available total \$745K, with an additional \$350K due from the Endowment match.

Profit & Loss Statement

- 1) YTD Income = \$265K, up \$21K over Budget = 9% increase, mostly due to UUA Legacy Match and a bequest
- 2) YTD Expenses = \$234K, right on Budget
- 3) Net Income = \$31K, up \$21K

*Due to the lack of historical cost data, the Book Value of our Land and Buildings was estimated to be = \$3.000M in 2014. However, in 2015, the Town valued our land and buildings at = \$8.629M. All properties in Westport will be reappraised in 2020, for use with the 2021-2020 tax year. Since we do not pay real estate taxes, any change in value will not affect our finances.