

General Update

- 1) April 30th Monthly Financials: See page 2 and the attached Financial Statements.
- 2) 2021-2022 Annual Budget: The proposed 2021-2022 Annual Budget was approved at the Annual Meeting.
- 3) Capital Campaign: Planning for Summer 2021 construction work is ongoing.
- 4) Capital Campaign ADM Internet Account: In July 2020, \$725K of the Capital Campaign funds were deposited into the ADM 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 April 30th, we have earned \$1,933.59 in interest. Current balance = \$726,933.59. The May 31st balances will be available later this week.
- 5) Finance & Audit Committees: Audit Committee is fully staffed with Bob Trefry and myself. Even though Bob’s term on the Board is over, I have asked Bob to remain as a member of the Audit and Finance Committees. The Finance Committee could use another member or two, if anyone is interested or knows someone who might be a good candidate, please let me know.
- 6) Fiscal Targets: Endowment Funds should be 2-3 times Annual Expense Budget. Available Cash should be 3 times Monthly Expenses (NB: See #7 below). As of April 30th, the balances are:

Endowment Funds* = \$3,261,139	Available Cash** = \$324,383 (in FCB Checking/Savings)
Annual Expense Budget = \$833,272	Monthly Expenses = \$69,439
Multiple = 3.91 x	Multiple = 4.67 x

NB: TUCW also has a \$250K Line of Credit at Fairfield County Bank (FCB), which remains unused. FCB has just renewed our Line of Credit, which is good until 02/14/2023. Interest rate is 1% over prime = 4.75%. No guarantees and no mortgage type liens.

*As of 12/31/20. Includes \$1,783,932 in “Restricted” funds **50% of Cash is earmarked for “Reserves”

- 7) Fiscal Policies: Last month, the Endowment Committee raised an issue with our “Available Cash Fiscal Target” as it relates to the Budget Gaps that we have been experiencing the last couple of years. Since Endowment funds are “earning assets” but Cash in the bank earns nothing, Endowment suggested we use Available Cash to the maximum extent possible to fill the Budget Gap, rather than asking Endowment to liquidate a portion of our earning assets. Since Endowment funds are always available to support TUCW as needed, they are in essence a form of “Available Cash”. For Fiscal Target purposes, the Endowment funds could be added to our Cash balances, to ensure our Available Cash Fiscal Target never falls below 3x Monthly Expenses.

As it has in the past, Endowment would continue to contribute \$30,000 annually to the Operating Budget.

Monthly Financial Statements – As of April 30th, 2021

Balance Sheet

- 1) Total Assets* = \$7.779M, up \$676K since June 2020 = 9.52% increase (investment values 12/31/2020)
- 2) Total Liabilities** = \$79K, down \$135K since June 2020 = 63% decrease, due mostly to the forgiveness of our PPP Loan debt. It is important to note that 92% of our Liabilities are because we received some 2021-2022 Pledges before the start of our next Fiscal Year. **Our real liabilities total only \$6K**
- 3) Total Equity = \$7.701M, up \$812K since June 2020 = 11.79% increase
- 4) Current Liabilities and Total Liabilities remain extremely low compared to Current Assets and Total Assets. The most important factor is that we do not have a mortgage on our property.
- 5) Capital Campaign funds available total \$1,006M, with an additional \$350K due from the Endowment match.

Profit & Loss Statement

- 1) YTD Income = \$632K, **\$60K over Budget** = 10.47% increase, mostly due to increase pledges and a bequest
- 2) YTD Expenses = \$647K, **\$41 under Budget** = 5.96% decrease, many expense items are lower than projected
- 3) **Net Income = (\$14K)**, up **\$101K over Budget** = an almost infinite increase over the budgeted negative income

*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, as of October 2020, the Town has valued our land and buildings at = \$8.629M. Since we do not pay real estate taxes, any change in value (up or down) does not affect our finances.

To-Do's

- 1) Discuss change in Fiscal Policy as proposed by Endowment Committee
- 2) Found \$400 in CT list of "unclaimed funds" showing it belongs to TUCW. I have applied to have the funds returned to us. Will keep you informed.