

**St. Vincent de Paul Society District  
Council of Dayton, Ohio, Inc.  
and Affiliates**

**Combined Financial Statements**

**December 31, 2021 and 2020**



**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**

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**December 31, 2021 and 2020**

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# FLAGEL HUBER FLAGEL

CPAs & BUSINESS ADVISORS

## Independent Auditor's Report

To the Board of Trustees  
St. Vincent de Paul Society District Council  
of Dayton, Ohio, Inc. and Affiliates

### **Opinion**

We have audited the accompanying combined financial statements of St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates (a nonprofit organization), which comprise the combined statements of financial position as of December 31, 2021 and 2020, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the year 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 St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates' ability to continue as a going concern within one year after the date that the combined 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 combined 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 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 combined 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 combined 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 combined 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 St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates' 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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates' 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.

## Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

*Flagel Huber Flagel*

Certified Public Accountants

Dayton, Ohio

June 1, 2022

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**  
**Combined Statement of Financial Position**  
**December 31, 2021**

<b>Assets</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Current Assets</b>			
Cash and cash equivalents	\$ 5,412,918	\$ 0	\$ 5,412,918
Cash and cash equivalents - conferences	621,609	0	621,609
Accounts receivable	288,297	0	288,297
Grants receivable	2,066,345	0	2,066,345
Prepaid expenses and other assets	150,372	0	150,372
<b>Total Current Assets</b>	<b>8,539,541</b>	<b>0</b>	<b>8,539,541</b>
<b>Property and Equipment</b>			
Land	1,917,166	0	1,917,166
Buildings and improvements	41,357,411	0	41,357,411
Furniture and fixtures	1,222,856	0	1,222,856
Vehicles	380,816	0	380,816
	44,878,249	0	44,878,249
Less: Accumulated depreciation	(27,910,175)	0	(27,910,175)
<b>Net Property and Equipment</b>	<b>16,968,074</b>	<b>0</b>	<b>16,968,074</b>
<b>Other Assets</b>			
Cash and cash equivalents	203,278	82,304	285,582
Contributions receivable	0	85,425	85,425
Remainder interest in trust	0	831,820	831,820
Deposits	4,638	0	4,638
Investments	3,761,117	1,536,938	5,298,055
<b>Total Other Assets</b>	<b>3,969,033</b>	<b>2,536,487</b>	<b>6,505,520</b>
<b>Total Assets</b>	<b>\$ 29,476,648</b>	<b>\$ 2,536,487</b>	<b>\$ 32,013,135</b>
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 504,733	\$ 0	\$ 504,733
Accrued expenses	305,402	0	305,402
Rental deposits	6,716	0	6,716
Current portion of long-term debt	1,321,481	0	1,321,481
<b>Total Current Liabilities</b>	<b>2,138,332</b>	<b>0</b>	<b>2,138,332</b>
<b>Long-Term Liabilities</b>			
Interest rate swap liability	225,211	0	225,211
Long-term debt	4,888,824	0	4,888,824
Unamortized debt issuance costs	(62,151)	0	(62,151)
<b>Total Long-Term Liabilities</b>	<b>5,051,884</b>	<b>0</b>	<b>5,051,884</b>
<b>Net Assets</b>	<b>22,286,432</b>	<b>2,536,487</b>	<b>24,822,919</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 29,476,648</b>	<b>\$ 2,536,487</b>	<b>\$ 32,013,135</b>

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**  
**Combined Statement of Financial Position**  
**December 31, 2020**

<b>Assets</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Current Assets</b>			
Cash and cash equivalents	\$ 998,448	\$ 0	\$ 998,448
Cash and cash equivalents - conferences	710,496	0	710,496
Accounts receivable	93,683	0	93,683
Contributions receivable	678,559	0	678,559
Grants receivable	3,733,429	0	3,733,429
Prepaid expenses and other assets	158,520	0	158,520
<b>Total Current Assets</b>	<b>6,373,135</b>	<b>0</b>	<b>6,373,135</b>
<b>Property and Equipment</b>			
Land	1,917,166	0	1,917,166
Buildings and improvements	41,854,064	0	41,854,064
Furniture and fixtures	1,135,014	0	1,135,014
Vehicles	339,752	0	339,752
	45,245,996	0	45,245,996
Less: Accumulated depreciation	(26,702,289)	0	(26,702,289)
<b>Net Property and Equipment</b>	<b>18,543,707</b>	<b>0</b>	<b>18,543,707</b>
<b>Other Assets</b>			
Cash and cash equivalents	220,156	172,949	393,105
Contributions receivable	0	71,590	71,590
Remainder interest in trust	0	774,152	774,152
Deposits	4,638	0	4,638
Investments	3,391,875	1,385,349	4,777,224
<b>Total Other Assets</b>	<b>3,616,669</b>	<b>2,404,040</b>	<b>6,020,709</b>
<b>Total Assets</b>	<b>\$ 28,533,511</b>	<b>\$ 2,404,040</b>	<b>\$ 30,937,551</b>
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 355,255	\$ 0	\$ 355,255
Accrued expenses	83,011	0	83,011
Rental deposits	6,516	0	6,516
Current portion of long-term debt	1,144,118	0	1,144,118
<b>Total Current Liabilities</b>	<b>1,588,900</b>	<b>0</b>	<b>1,588,900</b>
<b>Long-Term Liabilities</b>			
Interest rate swap liability	474,319	0	474,319
Long-term debt	6,213,094	0	6,213,094
Unamortized debt issuance costs	(74,181)	0	(74,181)
<b>Total Long-Term Liabilities</b>	<b>6,613,232</b>	<b>0</b>	<b>6,613,232</b>
<b>Net Assets</b>	<b>20,331,379</b>	<b>2,404,040</b>	<b>22,735,419</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 28,533,511</b>	<b>\$ 2,404,040</b>	<b>\$ 30,937,551</b>

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**  
**Combined Statement of Activities**  
**For the Year Ended December 31, 2021**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenue and Support</b>			
Sales	\$ 809,950	\$ 0	\$ 809,950
Contributions	3,327,062	17,170	3,344,232
Contributions - conferences	1,431,848	0	1,431,848
Contributions - United Way	41,145	0	41,145
Grants	7,923,194	0	7,923,194
Fundraising income	370,069	0	370,069
Rental income	4,385,775	0	4,385,775
Interest income	801	0	801
Investment return, net	330,072	213,924	543,996
Change in fair value of interest rate swap agreement	249,109	0	249,109
Change in value of remainder interest in trust	0	57,669	57,669
Other income	41,939	0	41,939
Loss on sale of property and equipment	(170,354)	0	(170,354)
Paycheck Protection Program income	126,177	0	126,177
Net assets released from restrictions	156,316	(156,316)	0
	<u>19,023,103</u>	<u>132,447</u>	<u>19,155,550</u>
<b>Expenses</b>			
Program Services	15,568,246	0	15,568,246
Management and General	1,103,441	0	1,103,441
Fundraising	396,363	0	396,363
	<u>17,068,050</u>	<u>0</u>	<u>17,068,050</u>
<b>Change in Net Assets</b>	1,955,053	132,447	2,087,500
<b>Net Assets - beginning of year</b>	<u>20,331,379</u>	<u>2,404,040</u>	<u>22,735,419</u>
<b>Net Assets - end of year</b>	<u>\$ 22,286,432</u>	<u>\$ 2,536,487</u>	<u>\$ 24,822,919</u>



**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**  
**Combined Statement of Activities**  
**For the Year Ended December 31, 2020**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenue and Support</b>			
Sales	\$ 677,321	\$ 0	\$ 677,321
Contributions	4,693,086	57,055	4,750,141
Contributions - conferences	1,301,909	0	1,301,909
Contributions - United Way	35,825	0	35,825
Grants	12,403,119	0	12,403,119
Fundraising income	336,648	0	336,648
Rental income	4,381,761	0	4,381,761
Interest income	1,010	0	1,010
Investment return, net	(16,411)	325,453	309,042
Change in fair value of interest rate swap agreement	(187,131)	0	(187,131)
Change in value of remainder interest in trust	0	157,623	157,623
Other income	367,452	0	367,452
Paycheck Protection Program income	859,500	0	859,500
Net assets released from restrictions	123,468	(123,468)	0
	<u>24,977,557</u>	<u>416,663</u>	<u>25,394,220</u>
<b>Expenses</b>			
Program Services	16,301,666	0	16,301,666
Management and General	1,074,442	0	1,074,442
Fundraising	326,041	0	326,041
	<u>17,702,149</u>	<u>0</u>	<u>17,702,149</u>
<b>Change in Net Assets</b>	7,275,408	416,663	7,692,071
<b>Net Assets - beginning of year</b>	<u>13,055,971</u>	<u>1,987,377</u>	<u>15,043,348</u>
<b>Net Assets - end of year</b>	<u>\$ 20,331,379</u>	<u>\$ 2,404,040</u>	<u>\$ 22,735,419</u>

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**  
**Combined Statement of Functional Expenses**  
**For the Year Ended December 31, 2021**

	Program Services			Total Program Services	Management and General	Fundraising	Total
	District Council	Charitable Enterprises	Social Services				
Cost of sales	\$ 0	\$ 145,043	\$ 1,403	\$ 146,446	\$ 0	\$ 0	\$ 146,446
Salaries and wages	310,366	628,132	3,728,643	4,667,141	582,943	264,023	5,514,107
Payroll taxes	25,130	75,255	331,133	431,518	44,640	21,022	497,180
Employee benefits	53,100	74,166	422,222	549,488	55,088	23,704	628,280
Outside services	7,615	50,668	422,972	481,255	190,708	3,055	675,018
Emergency assistance	13,890	0	630,138	644,028	0	0	644,028
Emergency assistance - conferences	1,868,358	0	0	1,868,358	0	0	1,868,358
Other program costs	69,330	155,789	2,392,996	2,618,115	0	0	2,618,115
Administrative	0	0	0	0	186,788	37,044	223,832
Office supplies and postage	24,363	5,074	69,775	99,212	26,990	8,828	135,030
Insurance	61,247	10,186	41,446	112,879	12,977	0	125,856
Occupancy	625,324	51,243	657,267	1,333,834	(596)	0	1,333,238
Security	220,746	5,211	192,166	418,123	0	0	418,123
Utilities	133,824	45,625	292,082	471,531	0	0	471,531
Fundraising	0	0	0	0	510	38,687	39,197
Donations	0	92,318	0	92,318	0	0	92,318
Interest	276,645	1,177	10,999	288,821	0	0	288,821
Depreciation	865,275	76,369	559,295	1,500,939	3,393	0	1,504,332
Transfers	13,993	(80,689)	66,696	0	0	0	0
Total before eliminations	<u>4,569,206</u>	<u>1,335,567</u>	<u>9,819,233</u>	<u>15,724,006</u>	<u>1,103,441</u>	<u>396,363</u>	<u>17,223,810</u>
Eliminations	(125,875)	0	(29,885)	(155,760)	0	0	(155,760)
Total	<u>\$ 4,443,331</u>	<u>\$ 1,335,567</u>	<u>\$ 9,789,348</u>	<u>\$ 15,568,246</u>	<u>\$ 1,103,441</u>	<u>\$ 396,363</u>	<u>\$ 17,068,050</u>

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

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**  
**Combined Statement of Functional Expenses**  
**For the Year Ended December 31, 2020**

	Program Services			Total Program Services	Management and General	Fundraising	Total
	District Council	Charitable Enterprises	Social Services				
Cost of sales	\$ 0	\$ 157,027	\$ 2,589	\$ 159,616	\$ 0	\$ 0	\$ 159,616
Salaries and wages	311,885	628,532	3,551,915	4,492,332	574,619	194,351	5,261,302
Payroll taxes	22,878	59,167	311,687	393,732	46,098	15,858	455,688
Employee benefits	81,476	69,406	385,183	536,065	82,891	18,926	637,882
Outside services	2,854	37,669	49,906	90,429	164,924	5,681	261,034
Emergency assistance	54,794	0	498,199	552,993	0	0	552,993
Emergency assistance - conferences	1,411,578	0	0	1,411,578	0	0	1,411,578
Other program costs	53,189	177,552	6,219,326	6,450,067	9,558	0	6,459,625
Administrative	0	0	0	0	155,569	44,422	199,991
Office supplies and postage	15,509	6,436	75,145	97,090	22,441	5,755	125,286
Insurance	44,215	7,242	27,410	78,867	11,564	0	90,431
Occupancy	562,829	49,736	503,326	1,115,891	2,924	0	1,118,815
Security	235,264	9,682	183,529	428,475	0	0	428,475
Utilities	81,013	40,413	295,405	416,831	0	0	416,831
Fundraising	0	0	0	0	461	41,048	41,509
Interest	317,057	732	18,658	336,447	0	0	336,447
Depreciation	869,862	73,288	457,916	1,401,066	3,393	0	1,404,459
Transfers	11,867	(37,785)	25,918	0	0	0	0
Total before eliminations	<u>4,076,270</u>	<u>1,279,097</u>	<u>12,606,112</u>	<u>17,961,479</u>	<u>1,074,442</u>	<u>326,041</u>	<u>19,361,962</u>
Eliminations	(119,753)	0	(1,540,060)	(1,659,813)	0	0	(1,659,813)
Total	<u>\$ 3,956,517</u>	<u>\$ 1,279,097</u>	<u>\$ 11,066,052</u>	<u>\$ 16,301,666</u>	<u>\$ 1,074,442</u>	<u>\$ 326,041</u>	<u>\$ 17,702,149</u>

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

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**  
**Combined Statements of Cash Flows**  
**For the Years Ended December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$ 2,087,500	\$ 7,692,071
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,504,332	1,404,459
Interest expense - amortization of debt issuance costs	12,030	12,029
Net realized and unrealized gains on investments	(468,272)	(219,826)
Change in fair value of interest rate swap	(249,108)	187,130
Change in value of remainder interest in trust	(57,668)	(157,623)
Donation of stock	(48,487)	(220,138)
Loss on sale of property and equipment	170,354	0
Increase (decrease) in cash due to changes in:		
Accounts and grants receivable	1,472,470	(2,998,861)
Contributions receivable	678,559	(678,559)
Contributions receivable - with donor restrictions	(13,835)	(9,940)
Prepaid expenses and other assets	8,148	(27,016)
Accounts payable	149,478	15,428
Accrued expenses	222,391	(152,303)
Rental deposits	200	(150)
<b>Net Cash Provided by Operating Activities</b>	<u>5,468,092</u>	<u>4,846,701</u>
<b>Cash Flows from Investing Activities:</b>		
Purchase of investments	(100,907)	(117,738)
Proceeds from sale of investments	96,835	562,859
Purchase of property and equipment	(283,689)	(4,406,322)
Proceeds from sale of property and equipment	184,636	0
<b>Net Cash Used in Investing Activities</b>	<u>(103,125)</u>	<u>(3,961,201)</u>
<b>Cash Flows from Financing Activities:</b>		
Payments on long-term debt	(1,146,907)	(1,136,839)
<b>Change in Cash, Cash Equivalents, and Restricted Cash</b>	4,218,060	(251,339)
<b>Cash, Cash Equivalents, and Restricted Cash - beginning of year</b>	<u>2,102,049</u>	<u>2,353,388</u>
<b>Cash, Cash Equivalents, and Restricted Cash - end of year</b>	<u>\$ 6,320,109</u>	<u>\$ 2,102,049</u>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash paid during the year for interest	\$ 275,614	\$ 324,418

## St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates

### Notes to Combined Financial Statements

December 31, 2021 and 2020

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#### 1. Organization and Purpose

##### St. Vincent de Paul Society District Council of Dayton, Ohio, Inc.

The St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. (the Council) was created for the purpose of encouraging and assisting in the organization of parish conferences within the Council's jurisdiction, supporting, integrating, and coordinating all Council activities within the Dayton District, receiving donations of money, stocks, bonds, bequests, endowments and other valuables, establishing and maintaining facilities for the storage and reconditioning of such materials as furniture, clothing, and household items for resale or free distribution to the poor, establishing and maintaining retail stores, and purchasing, renting, leasing and maintaining facilities for the feeding operations for the homeless, poor or those experiencing an unexpected life crisis.

Today, the primary focus of the Council is to assist the homeless and impoverished and empower men, women and families to build a foundation for a secure future including permanent housing. The work of the Council begins with 29 conferences throughout the Miami Valley that focus on assisting those in poverty in their local communities. The conferences are supported by local donations, direct financial assistance from the Council and by the St. Vincent de Paul Thrift Store which provides furniture, clothing and other household goods.

The Council's primary business activity is the operation of a 350,000 square foot building that houses the Montgomery County "One Stop Career Center" (Job Center), which provides onsite-education, training and job placement activities, health and human services, social services, housing services and other forms of public support to eligible members of the general public. Tenants include Montgomery County Jobs and Family Services as well as many other nonprofit organizations.

##### St. Vincent de Paul Social Services, Inc.

St. Vincent de Paul Social Services, Inc. (Social Services) was created in December 1985 with the stated purpose of providing emergency shelter services to homeless individuals during the period of their unexpected life crisis. This purpose is primarily achieved through the operation of two shelter facilities. The St. Vincent de Paul Gateway Shelter for Women and Families is a 271-bed, 24-hour-a-day shelter for homeless single women and families. The Gettysburg Gateway Shelter for Men is a 289-bed, 24-hour-a-day shelter for homeless single men. Both shelters provide 3 meals a day, laundry services, complete bath and shower facilities, and other basic human needs. The Gateway Shelters are supported primarily through private donor contributions and state and local grants.

In connection with its mission, Social Services also operates five distinct housing programs. A summary of each of the housing programs follows:

The Permanent Supportive Housing program assists up to 25 families with special needs by providing housing with supportive services that include onsite case management.

The St. Vincent de Paul Center provides both permanent and transitional supportive housing for men at a 39 unit housing facility offering opportunities for empowerment and independence.

## St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates

### Notes to Combined Financial Statements

December 31, 2021 and 2020

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#### 1. Organization and Purpose (Continued)

The Safe Haven program assists up to 13 chronically homeless men and women with a stated disability including mental illness and is available to those who meet certain program requirements.

St. Vincent de Paul Key Terrace provides on-site case management and other supportive services to 40 chronically homeless and disabled men and women who reside in 1-bedroom apartments in the building which is owned by Miami Valley Housing Opportunities.

In connection with their mission, Social Services also operates the Supportive Services for Veteran Families Program wherein homeless or very low-income veterans and their families are provided with supportive services aimed at assisting in the attainment of permanent housing or the prevention of its loss.

#### St. Vincent de Paul Charitable Enterprises, Inc.

St. Vincent de Paul Charitable Enterprises, Inc. (Charitable Enterprises) was created in May 1982 with the purpose of operating the St. Vincent de Paul Thrift Store (the Store) and providing donations of clothing, furniture, appliances and household goods to persons or families in need through the St. Vincent de Paul conferences. The Store offers, at nominal cost, household and personal necessities to persons of limited income or thrifty shoppers and thereby meets the operating costs of pickup and delivery, truck and building maintenance, and employment of personnel, and provides a channel for the donations of people who want to assist the needy and suffering. Funds which are over and above operating costs are used for the special charitable works of the Organization.

#### 2. Summary of Significant Accounting Policies

##### Principles of Combination

The combined financial statements include the accounts of St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. (the Council), St. Vincent de Paul Social Services, Inc. (Social Services), St. Vincent de Paul Charitable Enterprises, Inc. (Charitable Enterprises) and 29 regional St. Vincent de Paul Conferences (collectively, the Organization.) All significant transactions between the entities have been eliminated.

##### Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. A description of each class as it pertains to the Organization is as follows:

Net assets without donor restrictions – represents net assets available for use in general operations and not subject to donor restrictions. These include resources designated by the Board of Trustees for special purposes.

Net assets with donor restrictions – represents net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

# St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates

## Notes to Combined Financial Statements

December 31, 2021 and 2020

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### 2. Summary of Significant Accounting Policies (Continued)

#### Use of Estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the combined financial statements and accompanying notes. Actual results could differ from those estimates.

#### Functional Expense Allocation

The combined financial statements report certain categories of expenses that are attributed to both program and supporting services. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The Organization charges all expenses directly related to the fulfillment of its mission to program services based on direct identification of the costs for each program. Expenses that are not directly related to a single program or activity but are indispensable to the conduct of the Organization's programs or existence are charged to management and general. Expenses relating to activities undertaken to induce contributions are charged to fundraising. Certain administrative costs including salaries and wages, payroll taxes, and employee benefits are allocated on the basis of estimates of personnel time related to each activity.

#### Cash, Cash Equivalents, and Restricted Cash

For financial statement purposes, the Organization considers all checking accounts, money market accounts, and certificates of deposit to be cash equivalents. Restricted cash represents amounts set aside due to donor restrictions.

The Organization may maintain a portion of this cash in commercial bank accounts which, at times, could exceed federally insured limits. The Organization has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk on cash.

Cash, cash equivalents, and restricted cash as of December 31, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Cash	\$ 6,237,806	\$ 1,929,100
Cash – with donor restrictions	82,303	172,949
Total cash, cash equivalents and restricted cash shown in the combined statements of cash flows	<u>\$ 6,320,109</u>	<u>\$ 2,102,049</u>

#### Accounts and Grants Receivable

Accounts and grants receivable represent amounts for rent, program revenue, and other income. Based on management's evaluation of uncollected accounts receivable at the end of each year, bad debts are provided for on the allowance method. At December 31, 2021 and 2020, there was no allowance for uncollectible accounts.

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**

**Notes to Combined Financial Statements**

**December 31, 2021 and 2020**

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**2. Summary of Significant Accounting Policies (Continued)**

Contributions Receivable

Contributions receivable represent future distributions to be received from a trust. Contributions receivable are recognized when received at the net present value of the amounts expected to be collected. Amounts expected to be collected after one year are recorded at the present value of their estimated future cash flows. Amortization of the discount for present value is included in revenue on the combined statements of activities.

Impairment of Long-Lived Assets

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived asset is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value. No impairment losses were recognized during the years ended December 31, 2021 and 2020.

Donated Property and Equipment

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as donor restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restriction when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Donated Services

Donated services are recognized as contributions only if the donated services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation to the Organization. A number of unpaid volunteers have made significant contributions of their time to benefit the Organization's operations and programs. No amounts have been recognized in the Combined Statements of Activities because the criteria for recognition have not been met.

Donated Goods

The Organization receives donated goods for resale at the Store. The Organization records donated goods at their sale price at the time of the sale. Items not sold are not recorded and deemed to have no value.

Inventory

From time to time, the Organization has inventory, consisting of furniture and other items purchased for sale at the Store. These items are stated at the lower of cost or market using the first-in, first-out method.



**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**

**Notes to Combined Financial Statements**

**December 31, 2021 and 2020**

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**2. Summary of Significant Accounting Policies (Continued)**

Property and Equipment

Purchased property and equipment are stated at cost less accumulated depreciation. Donated property and equipment are stated at fair market value at the date of donation less accumulated depreciation. Major expenditures for property and equipment, and those which substantially increase useful lives, are capitalized. Maintenance and repairs expenditures are charged against current revenue. Depreciation is computed primarily on the straight-line method over the following estimated useful lives:

Buildings and improvements	5-30 years
Furniture and fixtures	5-10 years
Vehicles	5-10 years

Debt Issuance Costs

Debt issuance costs are reported as a reduction to the carrying value of the outstanding loan balance. These costs are amortized over the life of the loan using the straight-line method. Amortization of debt issuance costs is included in interest expense in the accompanying combined financial statements.

Revenue Recognition

The Organization accounts for program service revenue in accordance with *Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (Topic 606)*. Under this guidance, revenues from contracts are measured based on the amount of consideration specified in a contract with a customer and are recognized when performance obligations (i.e., obligations to transfer goods and / or services) are satisfied, which generally occurs with the transfer of control of the goods or services to the customer.

The Organization recognizes revenue from lease contracts over the life of the lease. Rental payments are due monthly, generally on the first day of each month. Lease agreements range from one to six years. Advance receipts of lease payments are deferred and classified as liabilities until earned. The Organization has rent receivables included in accounts receivable totaling \$20,589 and \$41,278 as of December 31, 2021 and 2020, respectively. The Organization has deferred rent revenue included in accounts payable totaling \$7,618 and \$13,918 as of December 31, 2021 and 2020, respectively.

The Organization recognizes revenue from the sale of merchandise in the thrift store at a point in time (when the goods are sold). There are no formal contracts with customers, the contract is implicit in the exchange of the goods for payment.

The Organization is the recipient of grant funds from various government agencies. Under *Accounting Standards Update No. 2018-08, Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, these reimbursement type grants are classified as conditional contributions rather than program service revenue.

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**

**Notes to Combined Financial Statements**

**December 31, 2021 and 2020**

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**2. Summary of Significant Accounting Policies (Continued)**

Contributions and Support

Contributions received are recorded as with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends, or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from restrictions.

Conditional contributions are recognized when the conditions on which they depend are substantially met.

All items of public support and revenue are stated on the accrual basis, including revenues, receivables as reimbursements for incurred costs from government agencies, and other third-party payors.

Advertising

Advertising costs are charged to operations when incurred. Advertising expense for the years ended December 31, 2021 and 2020 was \$4,449 and \$12,673, respectively.

Tax Status

The Council, Social Services, and Charitable Enterprises are nonprofit organizations that are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Organization determines the recognition of uncertain tax positions, if applicable, that may subject the entities to unrelated business income tax necessary by applying a more-likely-than-not recognition threshold and determines the measurement of uncertain tax positions considering the amounts and probabilities of the outcomes that could be realized upon ultimate settlement with tax authorities. The Organization does not have any materially uncertain tax positions, including any position that would place the Organization's exempt status in jeopardy at December 31, 2021. The Organization believes it is no longer subject to income tax examination for tax years prior to 2018.

Reclassifications

For comparability, certain amounts for the prior year have been reclassified to conform with the current year's presentation. These reclassifications did not result in any changes to total net assets.

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**

**Notes to Combined Financial Statements**

**December 31, 2021 and 2020**

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**3. Investments**

Investments are stated at fair value and consist of the following at December 31:

	<u>2021</u>	<u>2020</u>
Common stock	\$ 1,660,766	\$ 1,330,496
Mutual funds	3,221,668	3,000,501
Fixed-income securities	262,836	219,600
Cash equivalents	152,785	226,627
	<u>\$ 5,298,055</u>	<u>\$ 4,777,224</u>

Investment return consists of the following for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 102,279	\$ 112,233
Realized and unrealized gains	468,272	219,826
Investment fees	(26,555)	(23,017)
	<u>\$ 543,996</u>	<u>\$ 309,042</u>

The Organization adopted Accounting Standards Update No. 2018-13, *Fair Value Measurement (Topic 820)* which affects the disclosure requirements for fair value measurement. The adoption of this new standard has not had a material impact on the Organization's financial statements.

**4. Contributions Receivable**

The following provides a summary of contributions receivable at December 31:

	<u>2021</u>	<u>2020</u>
Less than one year	\$ 7,982	\$ 685,281
One to five years	33,555	28,260
Greater than five years	50,725	38,623
	<u>92,262</u>	<u>752,164</u>
Less discount	(6,837)	(2,015)
	<u>\$ 85,425</u>	<u>\$ 750,149</u>

The contributions receivable were discounted to present value using the applicable federal rate in effect for the reporting year, which was 1.6% and 0.6% at December 31, 2021 and 2020, respectively.

## St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates

### Notes to Combined Financial Statements

December 31, 2021 and 2020

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#### 5. Remainder Interest in Trust

The Organization is the beneficiary of a remainder trust and has the irrevocable right to receive a portion of the net assets of the trust at the end of the trusts' term. The beneficial interest in the trust is recorded at the present value of the expected future cash flows discounted at a rate of 1.6% and 0.6% at December 31, 2021 and 2020, respectively. The total amount of the discount at December 31, 2021 and 2020 was \$150,863 and \$45,269, respectively. The estimated value of the expected future cash flows was \$831,820 and \$774,152 at December 31, 2021 and 2020, respectively, and is included in net assets with donor restrictions.

#### 6. Line of Credit

The Organization has a \$500,000 revolving line of credit with PNC Bank which expires in July 2022. The line of credit bears interest at LIBOR plus 2.50% (2.6% at December 31, 2021 and 2020) and is secured by substantially all of the Organization's assets. As of December 31, 2021 and 2020, the outstanding balance on this line of credit was \$0.

#### 7. Long-Term Debt

Long-term debt consists of the following at December 31:

	<u>2021</u>	<u>2020</u>
Note payable, PNC Bank in connection with a Bond issuance, repayment terms detailed below.	\$ 5,014,246	\$ 6,035,910
Note payable, PNC Bank, interest currently fixed at 3.63%, payable in monthly installments of \$4,019, collateralized by real property, due November 2022.	176,881	217,791
Note payable, PNC Bank, interest currently fixed at 3.53%, payable in monthly installments of \$4,015, secured by substantially all of the Organization's assets, due February 2026.	186,284	227,013
Note payable, PNC Bank, interest currently fixed at 3.33%, payable in monthly installments of \$1,352, collateralized by real property, originally due February 2016, refinanced during 2016 with a new maturity of March 2023.	19,805	35,075
Note payable, PNC Bank, variable rate note, payable in varying amounts through maturity, interest rate fixed at 4.68% using an interest rate swap agreement expiring in October 2039, collateralized by substantially all real property, due July 2026.	813,089	841,423
Total	<u>6,210,305</u>	<u>7,357,212</u>
Less: current portion	<u>(1,321,481)</u>	<u>(1,144,118)</u>
Total long-term debt	<u>\$ 4,888,824</u>	<u>\$ 6,213,094</u>

## St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates

### Notes to Combined Financial Statements

December 31, 2021 and 2020

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#### 7. Long-Term Debt (Continued)

Maturities of long-term debt for each of the five years succeeding December 31, 2021 and thereafter are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 1,321,481
2023	1,172,467
2024	1,209,189
2025	1,251,430
2026	606,441
Later years	649,297
	<u>\$ 6,210,305</u>

During October 2015, the Organization entered into a bond purchase agreement to fund the cost of certain improvements to the Job Center. In connection with this agreement, the Dayton-Montgomery County Port Authority issued an Economic Development Revenue Bond, Series 2015 (St. Vincent de Paul Project) in the principal amount of \$10,500,000 and loaned the proceeds to the Organization. Pursuant to the bond purchase agreement, PNC Bank purchased the bond and became the servicing agent. As a result, the Port Authority assigned the loan to PNC Bank. As security for the loan agreement, the Organization executed an open-end mortgage note payable and security agreement with PNC Bank.

The Organization makes monthly payments of \$103,324 on the note, which includes principal and interest. The Organization also entered into an interest rate swap agreement with PNC Bank to essentially fix the interest rate on the debt. The note matures in February 2027.

In connection with the note payable agreement, the Organization agreed to maintain certain financial covenants including a debt service coverage ratio and days cash on hand minimum. At December 31, 2021 and 2020, the Organization was in compliance with these financial covenants.

#### 8. Interest Rate Swap Agreement

The Organization entered into interest rate swap agreements (contracts) with PNC on certain notes payable.

The contracts effectively fix the interest rates on the following notes at various amounts as detailed below.

<u>Effective Date</u>	<u>Notional Amount</u>		<u>Effective Fixed Rate</u>	<u>Swap Variable Rate</u>	
	<u>2021</u>	<u>2020</u>		<u>2021</u>	<u>2020</u>
February 2017	\$ 5,014,246	\$ 6,035,910	3.90%	1.60%	1.64%
October 2019	813,089	841,423	4.68%	1.85%	1.90%

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**

**Notes to Combined Financial Statements**

**December 31, 2021 and 2020**

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**8. Interest Rate Swap Agreement (Continued)**

The Organization's purpose in entering into these contracts was to hedge against the risk of interest rate increases on the related variable rate debt. The contracts were issued at market terms, so they had no fair value at inception. The carrying amounts of the contracts have been adjusted to their fair value at the end of the year, which because of changes in forecasted levels of the variable rate resulted in reporting a liability for the fair value of the potential future net payments under the contracts. The liability is classified as noncurrent on the combined statements of financial position since management does not intend to settle the contracts within the next year. The change in fair value is recorded as a gain or loss on the combined statements of activities. The balance of the interest rate swap liability at December 31, 2021 and 2020 was \$225,211 and \$474,319, respectively.

**9. Net Assets With Donor Restrictions**

Net assets with donor restrictions are restricted for the following purposes or periods at December 31:

	<u>2021</u>	<u>2020</u>
Subject to expenditure for specified purpose:		
Social Services program activities:		
Purchase of equipment	\$ 0	\$ 15,000
Tutoring	935	0
Spiritual focus	0	2,000
District Council program activities:		
Workforce development	0	15,401
Financial literacy	24,901	58,433
Purchase of equipment and supplies	0	22,115
Tornado relief	0	0
Systemic change	4,068	10,000
	<u>29,904</u>	<u>122,949</u>
Subject to the passage of time:		
For periods after December 31	<u>87,825</u>	<u>71,590</u>
Subject to the Organization's spending policy and appropriation:		
Investment of donor-restricted funds (including \$50,000 held in perpetuity and invested in a certificate of deposit and included in cash and cash equivalents), which, once appropriated, is expendable to support:		
Any activities of the organization	<u>1,586,938</u>	<u>1,435,350</u>
Subject to appropriation and expenditure when a specific event occurs:		
Remainder interest in a trust which becomes available upon the death of the remaining living beneficiary	<u>831,820</u>	<u>774,151</u>
Total net assets with donor restrictions	<u>\$ 2,536,487</u>	<u>\$ 2,404,040</u>

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**

**Notes to Combined Financial Statements**

**December 31, 2021 and 2020**

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**9. Net Assets With Donor Restrictions (Continued)**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time specified by donors as follows:

	<u>2021</u>	<u>2020</u>
Purpose restrictions accomplished:		
Purchase of equipment at shelters	\$ 15,000	\$ 20,000
Supportive services at Kettering Commons	0	900
Workforce development	15,401	27,131
Financial literacy	33,532	15,266
Purchase of equipment and supplies	22,115	8,291
Tornado relief	0	12,626
Systemic change	5,932	0
Spiritual focus	2,000	0
	<u>93,980</u>	<u>84,214</u>
Time restrictions expired:		
Passage of specified time	<u>62,336</u>	<u>39,254</u>
Total restrictions released	<u>\$ 156,316</u>	<u>\$ 123,468</u>

**10. Board Designated Net Assets**

The Organization's governing board has designated the following amounts from net assets as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Future projected capital needs	\$ 787,500	\$ 486,750
Operating reserve	<u>3,176,895</u>	<u>3,125,281</u>
	<u>\$ 3,964,395</u>	<u>\$ 3,612,031</u>

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**

**Notes to Combined Financial Statements**

**December 31, 2021 and 2020**

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**11. Liquidity and Availability**

The following reflects the Organization's financial assets reduced by amounts not available for general use because of contractual or donor-imposed restrictions, or board designations, within one year of December 31, 2021.

Cash and cash equivalents	\$ 6,320,109
Accounts and grants receivable	2,354,642
Contributions receivable	85,425
Remainder interest in trust	831,820
Investments	<u>5,298,055</u>
Total financial assets at December 31, 2021	14,890,051
Less those unavailable for general expenditures within one year, due to:	
Donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	(2,536,487)
Board designations:	
Future projected capital needs and operating reserve	(3,964,395)
Contractual obligation:	
Debt covenant requirement of 100 days cash on hand	<u>(3,647,449)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,741,720</u>

The Organization is substantially supported by grants and contributions, which may contain donor restrictions. Because donor restrictions require resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet these restrictions. Consequently, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management policies, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due. It is the policy of the Organization to regularly review and assess the need for funds to meet operating obligations and to ensure the availability of cash or collateral to fulfill those requirements. The Board designated net assets may be drawn upon in the event of financial distress. In the event of an unanticipated liquidity need, the Organization could also draw upon \$500,000 of their available line of credit, as further discussed in Note 6.



## St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates

### Notes to Combined Financial Statements

December 31, 2021 and 2020

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#### 12. Lease Agreements as Lessor

The Organization leases office space in the Job Center to Montgomery County, Ohio and other nonprofit organizations under lease agreements that expire through 2026. The Organization also leases space in the Job Center to tenants on a month-to-month basis.

Minimum future rentals to be received under non-cancelable operating leases as of December 31, 2021 for each of the next five years are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 4,141,490
2023	3,786,204
2024	3,579,160
2025	3,539,393
2026	1,425,829
	<u>\$ 16,472,076</u>

#### 13. Operating Leases

The Organization leases a house in connection with the Safe Haven program. The lease was for a period of one year and renewed annually, however during 2021 the lease term changed to month-to-month. The Organization leases office equipment and vehicles under lease agreements that expire through 2027. Total rental expense for the years ended December 31, 2021 and 2020 was \$113,984 and \$111,415, respectively.

Minimum future rental payments under non-cancelable operating leases as of December 31, 2021 for each of the next five years and thereafter are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 102,629
2023	80,377
2024	48,497
2025	39,327
2026	20,482
Later years	10,342
	<u>\$ 301,654</u>

## St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates

### Notes to Combined Financial Statements

December 31, 2021 and 2020

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#### 14. Fair Value Measurements

The Organization applies accounting principles generally accepted in the United States of America (GAAP) for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. Fair value is defined as the price that would be received for an asset or paid to transfer a liability, in the principal or most advantageous market for the asset or liability, in an orderly transaction between market participants at the measurement date. GAAP establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of inputs used to measure fair value as follows:

- Level 1 - Observable inputs such as quoted prices in active markets;
- Level 2 - Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3 - Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The following is a description of the valuation methodologies the Organization used for assets and liabilities measured on a recurring basis at fair value. There have been no changes from the prior year in the methodologies used at December 31, 2021. Significant transfers between fair value levels are determined at the end of the reporting period. There were no significant transfers in 2021 and 2020.

Investments: Equity securities, fixed income securities and mutual funds are valued using quoted market prices, net asset values per share and other relevant information generated by market transactions.

Interest rate derivative liability: The fair value of this over-the-counter derivative was determined using a discounted cash flow model based on the terms of the contracts. The most significant input to this model is implied forward variable rate benchmarks.

Contributions receivable and remainder interest in trust: Valued using present value techniques.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**

**Notes to Combined Financial Statements**

**December 31, 2021 and 2020**

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**14. Fair Value Measurements (Continued)**

Fair values of assets and liabilities measured on a recurring basis at December 31, 2021 were as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Fair Value</u>
Assets:			
Investments	\$ 5,298,055	\$ 0	\$ 5,298,055
Contributions receivable	0	85,425	85,425
Remainder interest in trust	0	831,820	831,820
	<u>\$ 5,298,055</u>	<u>\$ 917,245</u>	<u>\$ 6,215,300</u>
Liabilities:			
Interest rate derivative	<u>\$ 0</u>	<u>\$ 225,211</u>	<u>\$ 225,211</u>

Fair value of assets measured on a recurring basis at December 31, 2020 were as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Fair Value</u>
Assets:			
Investments	\$ 4,777,224	\$ 0	\$ 4,777,224
Contributions receivable	0	71,590	71,590
Remainder interest in trust	0	774,152	774,152
	<u>\$ 4,777,224</u>	<u>\$ 845,742</u>	<u>\$ 5,622,966</u>
Liabilities:			
Interest rate derivative	<u>\$ 0</u>	<u>\$ 474,319</u>	<u>\$ 474,319</u>

**15. Endowment Funds**

The Organization's endowment consists of two donor-restricted, individual funds established to provide support to the Organization. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**

**Notes to Combined Financial Statements**

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**15. Endowment Funds (Continued)**

The Organization is subject to the State Prudent Management of Institutional Funds Act (SPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Trustees appropriates such amounts for expenditure. The Board of Trustees of the Organization has interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gifts donated to the fund to be held in perpetuity, and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Organization has interpreted SPMIFA to permit spending from underwater funds in accordance with prudent measures required under the law. Additionally, in accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) the duration and preservation of the various funds,
- (2) the purposes of the donor-restricted endowment funds,
- (3) general economic conditions,
- (4) the possible effect of inflation and deflation,
- (5) the expected total return from income and the appreciation of investments,
- (6) other resources of the Organization, and
- (7) the Organization's investment policies

Endowment net asset composition by type of fund is as follows as of December 31:

	<u>2021</u>	<u>2020</u>
Donor-restricted endowment funds:		
Original donor-restricted gift amount required to be maintained in perpetuity by donor	\$ 50,000	\$ 50,000
Fair value of donor-restricted gift amount subject to time restrictions	<u>1,536,938</u>	<u>1,385,349</u>
Total funds	<u>\$ 1,586,938</u>	<u>\$ 1,435,349</u>

Changes in endowment net assets for the years ended December 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Endowment net assets, beginning of year	\$ 1,435,349	\$ 1,149,151
Contributions	0	199,468
Investment return, net	213,925	125,984
Amounts appropriated for expenditure	<u>(62,336)</u>	<u>(39,254)</u>
Endowment net assets, end of year	<u>\$ 1,586,938</u>	<u>\$ 1,435,349</u>

## **St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**

### **Notes to Combined Financial Statements**

**December 31, 2021 and 2020**

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#### **15. Endowment Funds (Continued)**

The Organizations' investment and spending policies for endowment assets attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. The Organization's spending and investment policies work together to achieve these objectives. The investment policy establishes an achievable return objective through diversification of asset classes. The current long-term return objective is to return a nominal average rate. To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places an emphasis on equity and fixed-income investments to achieve its long-term return objectives with prudent risk parameters.

The Organization has a policy for appropriating for distribution the endowment funds that are not held in perpetuity based on donor-imposed time restrictions. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds and the possible effects of inflation. The Organization expects the current spending policy to allow its endowment funds to grow at a nominal average rate. This is consistent with the Organization's objective to maintain purchasing power of the endowment assets as well as to provide additional real growth through investment return.

#### **16. Retirement Plan**

The Organization has established a defined contribution plan (the Plan) covering eligible employees. An employee will meet the Plan's eligibility requirements on the first day of the month following 30 days of employment. The Organization has the option of making matching contributions to the Plan. For 2021 and 2020, the Organization made no matching contributions to the Plan. Effective June 30, 2021, the decision was made to terminate the Plan.

#### **17. Contingencies**

Financial awards from governmental entities in the form of grants are subject to compliance audits. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits as the Organization does not believe it is at risk of such loss.

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus (the "COVID-19 outbreak" or "COVID") and the health risks to the international community. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

In addition to complying with local health mandates, management took appropriate actions to mitigate the spread of the virus by altering its protocols to minimize personal contact within its office. However, given the continuing evolution of the COVID-19 outbreak, the Organization is not able to fully estimate the effects of COVID-19 on its results of operations, financial condition, or liquidity for fiscal year 2022. Management believes that adaptive changes in operations, in addition to receiving funds from the Cares Act Payroll Protection Plan forgivable loan, have been sufficient to protect the Organization from the near-term negative impact related to the COVID-19 outbreak through the date of this report.

## St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates

### Notes to Combined Financial Statements

December 31, 2021 and 2020

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#### 18. Concentrations

For the year ended December 31, 2021, the Organization had a concentration of accounts receivable from three funders. A receivable is considered to be a concentration if total receivables at the end of the year from that customer or funder exceeds 10% of the Organization's overall accounts receivable balance. As of December 31, 2021 the Organization had \$1,614,919 of accounts receivable at the end of the year due from these funders.

For the year ended December 31, 2021, the Organization had a concentration of accounts payable from one vendor. A vendor is considered a major supplier if total purchases from that vendor exceeds 10% of the Company's overall purchases. The Company had \$108,146 in accounts payable balances outstanding for these vendors as of December 31, 2021.

#### 19. Paycheck Protection Program Loan

In April 2020, the Organization received approval and funding for four separate loans under the Paycheck Protection Program (PPP) as provided for by the CARES Act. The loans were issued through PNC Bank in connection with the Small Business Administration (SBA) for a total of \$855,000. The PPP program allowed for a portion of the loan (up to the full amount) to be forgiven based on qualifying expenses. Any unforgiven amount of the PPP loan was required to be repaid over a two-year term with interest at 1%.

In January 2021, the Organization received approval and funding for an additional loan under the PPP as provided for by the CARES Act. The loan was issued through PNC Bank in connection with the Small Business Administration (SBA) and totals \$125,000. The PPP loan was set to be forgiven in whole or in part depending upon certain factors, which were determined after a 24-week deferral period. Any unforgiven amounts of the PPP loan were required to be repaid over a five-year term at 1% interest.

The loans were considered a conditional contribution in accordance with FASB *ASC 958-605, Not-for-Profit Entities – Revenue Recognition*. During the years ended December 31, 2021 and 2020, the Organization incurred qualifying expenses and recognized the full amount of the loans as support from governmental grants on the statement of activities. Income related to the Paycheck Protection Program for the years ended December 31, 2021 and 2020 was \$126,177 and \$859,500, respectively. All loans were fully forgiven as of December 31, 2021.

#### 20. Subsequent Events

Management evaluated the activity of the Organization through June 1, 2022 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the combined financial statements or disclosure in the notes to the combined financial statements.

## **Supplementary Information**

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**  
**Combining Schedule of Financial Position**  
**December 31, 2021**

	<u>District Council</u>	<u>Charitable Enterprises</u>	<u>Social Services</u>	<u>Eliminations</u>	<u>Combined</u>
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents - undesignated	\$ 4,990,726	\$ 625	\$ 421,567	\$ 0	\$ 5,412,918
Cash and cash equivalents - conferences	621,609	0	0	0	621,609
Accounts receivable	282,425	0	5,872	0	288,297
Grants receivable	49,725	0	2,016,620	0	2,066,345
Intercompany receivables	0	376,561	766,769	(1,143,330)	0
Prepaid expenses and other assets	114,624	19,213	16,535	0	150,372
<b>Total Current Assets</b>	<u>6,059,109</u>	<u>396,399</u>	<u>3,227,363</u>	<u>(1,143,330)</u>	<u>8,539,541</u>
<b>Property and Equipment</b>					
Land	726,010	366,000	825,156	0	1,917,166
Buildings and improvements	30,509,779	1,437,503	9,410,129	0	41,357,411
Furniture and fixtures	73,940	95,031	1,053,885	0	1,222,856
Vehicles	6,550	149,071	225,195	0	380,816
	<u>31,316,279</u>	<u>2,047,605</u>	<u>11,514,365</u>	<u>0</u>	<u>44,878,249</u>
Less: Accumulated depreciation	(20,127,437)	(1,409,184)	(6,373,554)	0	(27,910,175)
<b>Net Property and Equipment</b>	<u>11,188,842</u>	<u>638,421</u>	<u>5,140,811</u>	<u>0</u>	<u>16,968,074</u>
<b>Other Assets</b>					
Cash and cash equivalents - board designated	203,278	0	0	0	203,278
Cash and cash equivalents - with donor restrictions	78,969	0	3,335	0	82,304
Contributions receivable - with donor restrictions	0	0	85,425	0	85,425
Remainder interest in trust - with donor restrictions	0	0	831,820	0	831,820
Deposits	1,000	1,667	1,971	0	4,638
Investments - board designated	3,620,862	0	140,255	0	3,761,117
Investments - with donor restrictions	1,536,938	0	0	0	1,536,938
<b>Total Other Assets</b>	<u>5,441,047</u>	<u>1,667</u>	<u>1,062,806</u>	<u>0</u>	<u>6,505,520</u>
<b>Total Assets</b>	<u>\$ 22,688,998</u>	<u>\$ 1,036,487</u>	<u>\$ 9,430,980</u>	<u>\$ (1,143,330)</u>	<u>\$ 32,013,135</u>



St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates  
Combining Schedule of Financial Position (Continued)  
December 31, 2021

	District Council	Charitable Enterprises	Social Services	Eliminations	Combined
<b>Liabilities and Net Assets</b>					
<b>Current Liabilities</b>					
Accounts payable	\$ 120,939	\$ 51,493	\$ 332,301	\$ 0	\$ 504,733
Intercompany payables	1,143,330	0	0	(1,143,330)	0
Accrued expenses	28,748	41,048	235,606	0	305,402
Rental deposits	6,366	0	350	0	6,716
Current portion of long-term debt	1,128,802	0	192,679	0	1,321,481
<b>Total Current Liabilities</b>	<u>2,428,185</u>	<u>92,541</u>	<u>760,936</u>	<u>(1,143,330)</u>	<u>2,138,332</u>
<b>Long-Term Liabilities</b>					
Interest rate swap liability	225,211	0	0	0	225,211
Long-term debt	4,884,818	0	4,006	0	4,888,824
Unamortized debt issuance costs	(62,151)	0	0	0	(62,151)
<b>Total Long-Term Liabilities</b>	<u>5,047,878</u>	<u>0</u>	<u>4,006</u>	<u>0</u>	<u>5,051,884</u>
<b>Net Assets</b>					
Without donor restrictions					
Undesignated	9,151,279	943,946	7,605,203	0	17,700,428
Board designated	3,824,140	0	140,255	0	3,964,395
Conferences	621,609	0	0	0	621,609
Total net assets without donor restriction	<u>13,597,028</u>	<u>943,946</u>	<u>7,745,458</u>	<u>0</u>	<u>22,286,432</u>
With donor restrictions	1,615,907	0	920,580	0	2,536,487
<b>Total Net Assets</b>	<u>15,212,935</u>	<u>943,946</u>	<u>8,666,038</u>	<u>0</u>	<u>24,822,919</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 22,688,998</u>	<u>\$ 1,036,487</u>	<u>\$ 9,430,980</u>	<u>\$ (1,143,330)</u>	<u>\$ 32,013,135</u>

St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates

Combining Schedule of Activities

For the Year Ended December 31, 2021

	District Council	Charitable Enterprises	Social Services	Eliminations	Combined
<b>Revenue and Support</b>					
Sales	\$ 0	\$ 942,245	\$ 0	\$ (132,295)	\$ 809,950
Contributions	241,427	8,453	3,077,182	0	3,327,062
Contributions - conferences	1,429,115	600	2,133	0	1,431,848
Contributions - United Way	18,413	100	22,632	0	41,145
Grants	167,175	0	7,756,019	0	7,923,194
Fundraising income	212,321	0	157,748	0	370,069
Rental income	4,281,236	68,153	59,851	(23,465)	4,385,775
Interest income	801	0	0	0	801
Investment return, net	313,465	0	16,607	0	330,072
Change in fair value of interest rate swap agreements	249,109	0	0	0	249,109
Other income	38,204	2,900	835	0	41,939
Loss on sale of property and equipment	0	(170,354)	0	0	(170,354)
PPP debt forgiveness income	0	126,177	0	0	126,177
Net assets released from restrictions	139,316	0	17,000	0	156,316
	<u>7,090,582</u>	<u>978,274</u>	<u>11,110,007</u>	<u>(155,760)</u>	<u>19,023,103</u>
<b>Expenses</b>					
Program services	4,569,206	1,335,567	9,819,233	(155,760)	15,568,246
Management and general	1,103,441	0	0	0	1,103,441
Fundraising	396,363	0	0	0	396,363
	<u>6,069,010</u>	<u>1,335,567</u>	<u>9,819,233</u>	<u>(155,760)</u>	<u>17,068,050</u>
<b>Change in Net Assets Without Donor Restrictions</b>	<u>1,021,572</u>	<u>(357,293)</u>	<u>1,290,774</u>	<u>0</u>	<u>1,955,053</u>
<b>Change in Net Assets With Donor Restrictions</b>					
Contributions	0	0	17,170	0	17,170
Change in value of remainder interest in trust	0	0	57,669	0	57,669
Investment return, net	213,924	0	0	0	213,924
Net assets released from restrictions	(139,316)	0	(17,000)	0	(156,316)
	<u>74,608</u>	<u>0</u>	<u>57,839</u>	<u>0</u>	<u>132,447</u>
<b>Change in Net Assets</b>	<u>1,096,180</u>	<u>(357,293)</u>	<u>1,348,613</u>	<u>0</u>	<u>2,087,500</u>
<b>Net Assets - beginning of year</b>	<u>14,116,755</u>	<u>1,301,239</u>	<u>7,317,425</u>	<u>0</u>	<u>22,735,419</u>
<b>Net Assets - end of year</b>	<u>\$ 15,212,935</u>	<u>\$ 943,946</u>	<u>\$ 8,666,038</u>	<u>\$ 0</u>	<u>\$ 24,822,919</u>

**St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates**  
**Combining Schedule of Financial Position**  
**December 31, 2020**

	<u>District Council</u>	<u>Charitable Enterprises</u>	<u>Social Services</u>	<u>Eliminations</u>	<u>Combined</u>
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents - undesignated	\$ 528,596	\$ 625	\$ 469,227	\$ 0	\$ 998,448
Cash and cash equivalents - conferences	710,496	0	0	0	710,496
Accounts receivable	77,466	2,984	13,233	0	93,683
Contribution receivable	678,559	0	0	0	678,559
Grants receivable	0	0	3,733,429	0	3,733,429
Intercompany receivables	2,669,767	239,115	0	(2,908,882)	0
Prepaid expenses and other assets	120,750	21,843	15,927	0	158,520
<b>Total Current Assets</b>	<u>4,785,634</u>	<u>264,567</u>	<u>4,231,816</u>	<u>(2,908,882)</u>	<u>6,373,135</u>
<b>Property and Equipment</b>					
Land	726,010	366,000	825,156	0	1,917,166
Buildings and improvements	30,438,645	2,057,030	9,358,389	0	41,854,064
Furniture and fixtures	56,519	95,031	983,464	0	1,135,014
Vehicles	6,552	149,071	184,129	0	339,752
	<u>31,227,726</u>	<u>2,667,132</u>	<u>11,351,138</u>	<u>0</u>	<u>45,245,996</u>
Less: Accumulated depreciation	(19,258,770)	(1,606,751)	(5,836,768)	0	(26,702,289)
<b>Net Property and Equipment</b>	<u>11,968,956</u>	<u>1,060,381</u>	<u>5,514,370</u>	<u>0</u>	<u>18,543,707</u>
<b>Other Assets</b>					
Cash and cash equivalents - board designated	220,156	0	0	0	220,156
Cash and cash equivalents - with donor restrictions	155,950	0	16,999	0	172,949
Contributions receivable - with donor restrictions	0	0	71,590	0	71,590
Remainder interest in trust - with donor restrictions	0	0	774,152	0	774,152
Deposits	1,000	1,667	1,971	0	4,638
Investments - board designated	3,268,228	0	123,647	0	3,391,875
Investments - with donor restrictions	1,385,349	0	0	0	1,385,349
<b>Total Other Assets</b>	<u>5,030,683</u>	<u>1,667</u>	<u>988,359</u>	<u>0</u>	<u>6,020,709</u>
<b>Total Assets</b>	<u>\$ 21,785,273</u>	<u>\$ 1,326,615</u>	<u>\$ 10,734,545</u>	<u>\$ (2,908,882)</u>	<u>\$ 30,937,551</u>

St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates

Combining Schedule of Financial Position (Continued)

December 31, 2020

	<u>District Council</u>	<u>Charitable Enterprises</u>	<u>Social Services</u>	<u>Eliminations</u>	<u>Combined</u>
<b>Liabilities and Net Assets</b>					
<b>Current Liabilities</b>					
Accounts payable	\$ 140,954	\$ 15,175	\$ 199,126	\$ 0	\$ 355,255
Intercompany payables	0	0	2,908,882	(2,908,882)	0
Accrued expenses	16,715	10,201	56,095	0	83,011
Rental deposits	6,366	0	150	0	6,516
Current portion of long-term debt	1,087,830	0	56,288	0	1,144,118
<b>Total Current Liabilities</b>	<u>1,251,865</u>	<u>25,376</u>	<u>3,220,541</u>	<u>(2,908,882)</u>	<u>1,588,900</u>
<b>Long-Term Liabilities</b>					
Interest rate swap liability	474,319	0	0	0	474,319
Long-term debt	6,016,515	0	196,579	0	6,213,094
Unamortized debt issuance costs	(74,181)	0	0	0	(74,181)
<b>Total Long-Term Liabilities</b>	<u>6,416,653</u>	<u>0</u>	<u>196,579</u>	<u>0</u>	<u>6,613,232</u>
<b>Net Assets</b>					
Without donor restrictions					
Undesignated	8,376,576	1,301,239	6,331,037	0	16,008,852
Board designated	3,488,384	0	123,647	0	3,612,031
Conferences	710,496	0	0	0	710,496
Total net assets without donor restriction	<u>12,575,456</u>	<u>1,301,239</u>	<u>6,454,684</u>	<u>0</u>	<u>20,331,379</u>
With donor restrictions	1,541,299	0	862,741	0	2,404,040
<b>Total Net Assets</b>	<u>14,116,755</u>	<u>1,301,239</u>	<u>7,317,425</u>	<u>0</u>	<u>22,735,419</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 21,785,273</u>	<u>\$ 1,326,615</u>	<u>\$ 10,734,545</u>	<u>\$ (2,908,882)</u>	<u>\$ 30,937,551</u>

St. Vincent de Paul Society District Council of Dayton, Ohio, Inc. and Affiliates

Combining Schedule of Activities

For the Year Ended December 31, 2020

	District Council	Charitable Enterprises	Social Services	Eliminations	Combined
<b>Revenue and Support</b>					
Sales	\$ 0	\$ 802,341	\$ 1,118	\$ (126,138)	\$ 677,321
Contributions	3,254,094	8,055	2,941,147	(1,510,210)	4,693,086
Contributions - conferences	1,296,909	5,000	0	0	1,301,909
Contributions - United Way	2,369	1,518	31,938	0	35,825
Grants	0	0	12,403,119	0	12,403,119
Fundraising income	209,766	0	126,882	0	336,648
Rental income	4,282,199	64,933	58,094	(23,465)	4,381,761
Interest income	1,010	0	0	0	1,010
Investment return, net	(19,897)	0	3,486	0	(16,411)
Change in fair value of interest rate swap agreements	(187,131)	0	0	0	(187,131)
Other income	53,158	67,857	246,437	0	367,452
PPP debt forgiveness income	195,000	115,732	548,768	0	859,500
Net assets released from restrictions	102,568	0	20,900	0	123,468
	<u>9,190,045</u>	<u>1,065,436</u>	<u>16,381,889</u>	<u>(1,659,813)</u>	<u>24,977,557</u>
<b>Expenses</b>					
Program services	4,076,270	1,279,097	12,606,112	(1,659,813)	16,301,666
Management and general	1,074,442	0	0	0	1,074,442
Fundraising	326,041	0	0	0	326,041
	<u>5,476,753</u>	<u>1,279,097</u>	<u>12,606,112</u>	<u>(1,659,813)</u>	<u>17,702,149</u>
<b>Change in Net Assets Without Donor Restrictions</b>	<u>3,713,292</u>	<u>(213,661)</u>	<u>3,775,777</u>	<u>0</u>	<u>7,275,408</u>
<b>Change in Net Assets With Donor Restrictions</b>					
Contributions	32,115	0	24,940	0	57,055
Change in value of remainder interest in trust	0	0	157,623	0	157,623
Investment return, net	325,453	0	0	0	325,453
Net assets released from restrictions	(102,568)	0	(20,900)	0	(123,468)
	<u>255,000</u>	<u>0</u>	<u>161,663</u>	<u>0</u>	<u>416,663</u>
<b>Change in Net Assets</b>	<u>3,968,292</u>	<u>(213,661)</u>	<u>3,937,440</u>	<u>0</u>	<u>7,692,071</u>
<b>Net Assets - beginning of year</b>	<u>10,148,463</u>	<u>1,514,900</u>	<u>3,379,985</u>	<u>0</u>	<u>15,043,348</u>
<b>Net Assets - end of year</b>	<u>\$ 14,116,755</u>	<u>\$ 1,301,239</u>	<u>\$ 7,317,425</u>	<u>\$ 0</u>	<u>\$ 22,735,419</u>



In this ever-changing business environment, Flagel Huber Flagel goes beyond numbers and deadlines, returning the trust and confidence our clients place in us, with a caring partner relationship. We are committed to a collaborative search for ideas and solutions that help business organizations thrive and families build and preserve wealth. Our commitment is simple; financial and operational *insight*, service *integrity*, and problem solving *innovation*.

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