

MISSIONARY SOCIETY OF CONNECTICUT

Independent Auditors' Report
Financial Statements
(With Supplementary Information)

December 31, 2019 and 2018



ASSURANCE | ADVISORY | TAX | TECHNOLOGY

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Missionary Society of Connecticut

We have audited the accompanying financial statements of Missionary Society of Connecticut, which comprise the statements of assets, liabilities and net assets - cash basis as of December 31, 2019 and 2018, and the related statements of support, revenue and expenses - cash basis, functional expenses - cash basis, and cash flows - cash basis for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of Missionary Society of Connecticut as December 31, 2019 and 2018, and its support, revenue, and expenses for the years then ended in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

A handwritten signature in black ink that reads "Whittlesey PC". The signature is written in a cursive, flowing style.

Hartford, Connecticut
September 8, 2020

MISSIONARY SOCIETY OF CONNECTICUT

Statements of Assets, Liabilities and Net Assets – Cash Basis

December 31, 2019 and 2018

	2019	2018
Assets		
Current assets:		
Cash and cash equivalents:		
Unrestricted and board designated	\$ 430,670	\$ 542,470
Restricted	644,559	720,188
Total current assets	1,075,229	1,262,658
Noncurrent assets:		
Investment in Consolidated Trust Fund	127,988,168	110,391,199
Liability for assets held for others	(108,722,393)	(93,570,325)
Total investments belonging to MSC in the Consolidated Trust Fund included in net assets	19,265,775	16,820,874
Interest in beneficial trusts	3,643,778	3,109,878
Notes receivable - employees, net of current portion	117,082	117,082
Inventory	21,029	22,487
Land, buildings, equipment, and furniture and fixtures, net	3,509,667	3,590,077
Total noncurrent assets	26,557,331	23,660,398
Total assets	\$ 27,632,560	\$ 24,923,056
Liabilities and Net Assets		
Current liabilities:		
Annuity withholding	\$ -	\$ 11,688
Association funds	17,654	17,749
Total current liabilities	17,654	29,437
Net assets:		
Without Donor Restrictions:		
Undesignated	11,924	11,924
Designated - property and equipment	3,509,667	3,590,077
Designated - board reserve funds	439,775	552,730
Designated - funds functioning as endowment	7,493,955	6,613,196
Total without Donor Restrictions	11,455,321	10,767,927
With Donor Restrictions	16,159,585	14,125,692
Total net assets	27,614,906	24,893,619
Total liabilities and net assets	\$ 27,632,560	\$ 24,923,056

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

MISSIONARY SOCIETY OF CONNECTICUT

Statement of Support, Revenue and Expenses – Cash Basis

For the year ended December 31, 2019
(With comparative totals for the year ended December 31, 2018)

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Operating support and revenue:				
General				
Contributions - churches and individuals	\$ 1,140,463	\$ 934,355	\$ 2,074,818	\$ 2,194,047
Contributions - allocated to Silver Lake				
Conference Center	(177,412)	-	(177,412)	(217,412)
Investment income, net of fees	267,218	241,029	508,247	495,925
Investment return designated for operations	264,512	181,299	445,811	486,079
Program fees and miscellaneous	436,444	-	436,444	376,561
Net assets released from restriction	1,395,131	(1,395,131)	-	-
Total general	<u>3,326,356</u>	<u>(38,448)</u>	<u>3,287,908</u>	<u>3,335,200</u>
Silver Lake Conference Center				
Contributions - churches and individuals	117,010	67,625	184,635	298,824
Contributions - allocated from general funds	177,412	-	177,412	217,412
Investment income, net of fees	-	22,150	22,150	19,737
Investment return designated for operations	-	16,885	16,885	18,567
Program fees and miscellaneous	854,958	-	854,958	769,864
Net assets released from restriction	84,362	(84,362)	-	-
Total Silver Lake Conference Center	<u>1,233,742</u>	<u>22,298</u>	<u>1,256,040</u>	<u>1,324,404</u>
Total operating support and revenue	<u>4,560,098</u>	<u>(16,150)</u>	<u>4,543,948</u>	<u>4,659,604</u>
Operating expenses:				
Program services	3,651,971	-	3,651,971	3,413,923
Management and general	1,002,111	-	1,002,111	1,069,114
Fundraising	18,972	-	18,972	23,611
Total operating expenses	<u>4,673,054</u>	<u>-</u>	<u>4,673,054</u>	<u>4,506,648</u>
Excess/(deficiency) of operating support and revenue over expenses	<u>(112,956)</u>	<u>(16,150)</u>	<u>(129,106)</u>	<u>152,956</u>
Other non-operating activity:				
Net realized and unrealized				
appreciation/(depreciation) on investments	1,145,272	1,713,551	2,858,823	(1,690,663)
Change in value of beneficial trusts	-	533,900	533,900	(471,584)
Depreciation	(119,738)	-	(119,738)	(186,970)
Transfer of endowment assets	-	-	-	(29,242)
Capital additions expensed above	39,328	-	39,328	168,504
Investment return designated for operations	(264,512)	(197,408)	(461,920)	(504,646)
Total net other non-operating activity	<u>800,350</u>	<u>2,050,043</u>	<u>2,850,393</u>	<u>(2,714,305)</u>
Total change in net assets	<u>687,394</u>	<u>2,033,893</u>	<u>2,721,287</u>	<u>(2,561,349)</u>
Net assets, beginning of year	<u>10,767,927</u>	<u>14,125,692</u>	<u>24,893,619</u>	<u>27,454,968</u>
Net assets, end of year	<u>\$ 11,455,321</u>	<u>\$ 16,159,585</u>	<u>\$ 27,614,906</u>	<u>\$ 24,893,619</u>

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

MISSIONARY SOCIETY OF CONNECTICUT

Statement of Support, Revenue and Expenses – Cash Basis

For the year ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Operating support and revenue:			
General			
Contributions - churches and individuals	\$ 1,227,511	\$ 966,536	\$ 2,194,047
Contributions - allocated to Silver Lake			
Conference Center	(217,412)	-	(217,412)
Investment income, net of fees	283,623	212,302	495,925
Investment return designated for operations	285,276	200,803	486,079
Program fees and miscellaneous	376,561	-	376,561
Net assets released from restriction	1,314,385	(1,314,385)	-
Total general	3,269,944	65,256	3,335,200
Silver Lake Conference Center			
Contributions - churches and individuals	162,893	135,931	298,824
Contributions - allocated from general funds	217,412	-	217,412
Investment income, net of fees	-	19,737	19,737
Investment return designated for operations	-	18,567	18,567
Program fees and miscellaneous	769,864	-	769,864
Net assets released from restriction	103,492	(103,492)	-
Total Silver Lake Conference Center	1,253,661	70,743	1,324,404
Total operating support and revenue	4,523,605	135,999	4,659,604
Operating expenses:			
Program services	3,413,923	-	3,413,923
Management and general	1,069,114	-	1,069,114
Fundraising	23,611	-	23,611
Total operating expenses	4,506,648	-	4,506,648
Excess of operating support and revenue over expenses	16,957	135,999	152,956
Other non-operating Activity:			
Net realized and unrealized			
depreciation on investments	(660,875)	(1,029,788)	(1,690,663)
Change in value of beneficial trusts	-	(471,288)	(471,288)
Depreciation	(186,970)	-	(186,970)
Transfer of endowment assets	-	(29,242)	(29,242)
Capital additions expensed above	168,504	-	168,504
Investment return designated for operations	(285,276)	(219,370)	(504,646)
Total net other non-operating activity	(964,617)	(1,749,688)	(2,714,305)
Total change in net assets	(947,660)	(1,613,689)	(2,561,349)
Net assets, beginning of year	11,715,587	15,739,381	27,454,968
Net assets, end of year	\$ 10,767,927	\$ 14,125,692	\$ 24,893,619

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

MISSIONARY SOCIETY OF CONNECTICUT

Statements of Functional Expenses – Cash Basis

For the years ended December 31, 2019 and 2018

	2019			
	Program Services	Management and General	Fundraising	Total
Salaries	\$ 1,369,320	\$ 366,560	\$ -	\$ 1,735,880
Employee benefits and payroll taxes	382,466	112,517	-	494,983
Total salaries, benefits and taxes	<u>1,751,786</u>	<u>479,077</u>	<u>-</u>	<u>2,230,863</u>
Support	1,441,470	2,224	6,175	1,449,869
Occupancy	14,530	175,972	-	190,502
Program supplies	186,222	29,475	-	215,697
Conferences, meetings and travel	144,646	19,243	-	163,889
Information technology	11,839	76,645	-	88,484
Insurance	-	103,988	-	103,988
Office supplies	10,494	94,856	258	105,608
Professional fees	51,188	20,600	-	71,788
Fundraising	468	31	12,539	13,038
Capital expenditures	39,328	-	-	39,328
Total operating expenses	<u>\$ 3,651,971</u>	<u>\$ 1,002,111</u>	<u>\$ 18,972</u>	<u>\$ 4,673,054</u>
	2018			
	Program Services	Management and General	Fundraising	Total
Salaries	\$ 1,282,854	\$ 374,780	\$ 1,283	\$ 1,658,917
Employee benefits and payroll taxes	375,411	145,195	98	520,704
Total salaries, benefits and taxes	<u>1,658,265</u>	<u>519,975</u>	<u>1,381</u>	<u>2,179,621</u>
Support	1,209,343	2,344	7,615	1,219,302
Occupancy	30,223	217,449	-	247,672
Program supplies	167,277	32,208	-	199,485
Conferences, meetings and travel	108,911	15,027	-	123,938
Information technology	11,325	79,102	-	90,427
Insurance	-	100,212	-	100,212
Office supplies	8,998	78,944	260	88,202
Professional fees	49,626	20,500	-	70,126
Fundraising	1,451	3,353	14,355	19,159
Capital expenditures	168,504	-	-	168,504
Total operating expenses	<u>\$ 3,413,923</u>	<u>\$ 1,069,114</u>	<u>\$ 23,611</u>	<u>\$ 4,506,648</u>

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

MISSIONARY SOCIETY OF CONNECTICUT

Statements of Cash Flows – Cash Basis

For the years ended December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Change in net assets	\$ 2,721,287	\$ (2,561,349)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	119,738	186,970
Net realized and unrealized (appreciation)/depreciation on investments	(2,858,823)	1,690,663
Change in value of beneficial trusts	(533,900)	471,288
Changes in operating assets and liabilities:		
Inventory	1,458	(796)
Association funds	(95)	534
Annuity withholding	(11,688)	11,292
Net cash used in operating activities	<u>(562,023)</u>	<u>(201,398)</u>
Cash flows from investing activities:		
Fixed asset acquisitions	(39,328)	(168,504)
Investment return designated for operations	461,920	504,646
Purchase of investments	(48,498)	(97,292)
Advances to/(payments on) notes receivable - employees	-	(608)
Distribution of assets to CTWUCC	500	500
Net cash provided by investing activities	<u>374,594</u>	<u>238,742</u>
Net change in cash and cash equivalents	(187,429)	37,344
Cash and cash equivalents, beginning of year	<u>1,262,658</u>	<u>1,225,314</u>
Cash and cash equivalents, end of year	<u>\$ 1,075,229</u>	<u>\$ 1,262,658</u>

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

MISSIONARY SOCIETY OF CONNECTICUT

Notes to the Financial Statements

December 31, 2019 and 2018

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – Missionary Society of Connecticut (hereinafter referred to as “the Missionary Society” or “MSC”) is located in Hartford, Connecticut. The Missionary Society was organized in 1798, for the purpose of sending missionaries to the new settlements in this country. Its purpose has more recently evolved as an agency of the Connecticut Conference of the United Church of Christ to render services and assist in programs in which both have a common interest.

As a nonprofit organization, the Missionary Society is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and comparable state law and is not required to file a Federal informational return.

The accompanying financial statements include all operating units of the Missionary Society, including the operating fund, the Silver Lake Conference Center, Consolidated Trust Fund, and Special Trusts. The operating fund includes all of the financial activities of the Connecticut Conference of the United Church of Christ (“Conference”) other than the three units segregated into separate units. The Silver Lake Conference Center (“SLCC”) is the home of the outdoor ministries of the Conference, servicing primarily members of the Conference. In the fall, winter, and spring it provides conference facilities, and in the summer, it provides summer camp programs. The Missionary Society is the trustee for the Missionary Society of Connecticut Consolidated Trust Funds (“CTF”) which holds investments for the Missionary Society and other organizations affiliated with the Conference. Special Trusts are donor restricted assets held for the benefit of affiliated and formerly affiliated organizations and a special trust benefiting the Missionary Society. All significant Intra-Society accounts and transactions have been eliminated in the accompanying financial statements.

Basis of Accounting – The Missionary Society maintains its records and prepares its financial statements on the cash basis of accounting. Income is recorded when cash is received. Investment revenue is recorded as received. Expenses are recorded when paid. The Missionary Society departs from the cash basis of accounting by recording marketable securities at fair market value rather than at cost. Unrealized gains and losses are recorded in order to properly state investments at their market value at the end of the period. In addition, fixed assets are capitalized rather than expensed, and loans are recorded at net realizable value.

The Missionary Society does not budget or routinely report to its Board of Directors following generally accepted accounting principles (“GAAP”), having discerned that a cash basis of accounting supports effective stewardship of resources and is more understandable to members. The most significant modifications are that investment assets designated for operation under the total return policy are treated as revenue and capital items are fully expensed in the period purchased. The “excess/(deficiency) of operating support and revenue over expenses” shown on the statements of support, revenue and expenses – cash basis reflects the financial result under the cash accounting basis. The Missionary Society typically seeks to show a modest excess on this basis. However, timing differences between the receipt of donor restricted funds and the use of such funds, as well as the designation of funds without donor restrictions for specific purposes and the use of such funds, can create excesses or deficiencies even if ordinary operations do not. Such timing differences can be identified in Notes 9 and 10, respectively. Adjustments to make the financial statements conform to the cash basis are shown as non-operating gains and losses. In addition, if new information about donor restrictions or previous accounting for restricted assets results in the reclassification of assets to better conform to donor intentions, these changes are also shown as non-operating gains and losses.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation – The financial statements report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. They are described as follows:

Without donor restrictions – Net assets that are not subject to explicit donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors.

With donor restrictions – Net assets whose use by the Missionary Society is subject to explicit donor-imposed stipulations that can be fulfilled by actions of Missionary Society or that expire by the passage of time, including net assets subject to explicit donor-imposed stipulations that they be maintained permanently by the Missionary Society and stipulate the use of income and/or appreciation as either with or without donor restrictions.

The Missionary Society classifies net appreciation on restricted endowment funds as with donor restrictions until appropriated for spending by The Missionary Society. Appropriation decisions are governed by the Uniform Prudent Management of Institutional Funds Act and other applicable legal requirements. Pages 31 and 32 provide presentations of net assets by fund.

Cash and Cash Equivalents – For purposes of the statements of cash flows, the Missionary Society considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Restricted and board designated cash consists of donor restricted funds held in cash as well as funds the board has segregated into separate accounts to fund the board designations of net assets.

Investments – Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statements of assets, liabilities and net assets - cash basis. Unrealized gains and losses are included in the change in net assets. Investments (other than short-term cash equivalents) are carried at fair value and primarily consist of investment in the CTF. During the early part of 2018, custody of assets was transferred to MUFJ Union Bank.

Land, Buildings, Equipment, Furniture and Fixtures – Expenditures for fixed assets in excess of \$2,000 are capitalized at cost. In the case of long-lived assets of indeterminable cost due to age, method of acquisition, and other related factors, value are recorded at estimated cost per outside appraisal, net of accumulated depreciation from estimated dates of acquisition. Depreciation is computed on the straight-line method over the estimated useful lives of the assets which range from 5 - 40 years.

The Missionary Society has certain art and antique holdings, which have been capitalized but have not been depreciated.

Revenue Recognition – MSC has multiple revenue streams that are accounted for as reciprocal exchange transactions including SLCC program fees and miscellaneous.

Contributions, Revenue and Expenses – Contributions received are recorded as support with or without donor restrictions depending on the existence and/or nature of any donor restrictions. All other donor-restricted support is reported as an increase in net assets with donor restrictions as to time or purpose, held in perpetuity, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of support, revenue and expenses – cash basis as net assets released from restriction.

The Missionary Society invests in various debt and equity securities. These investment securities are recorded at fair value. Accordingly, the investment securities can fluctuate because of interest rates, reinvestment, credit and other risks depending on the nature of the specific investment. Therefore, it is at least reasonably possible that these factors will result in changes in the value of the Missionary Society's investments which could materially affect amounts reported in the financial statements.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates – The preparation of the Missionary Society’s financial statements in conformity with the cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Expenses – The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated amount supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Wages, payroll taxes and employee benefits	Time and effort
Outside services	Time and effort
Activity fees	Time and effort
Rent	Square footage
Program and office supplies	Time and effort
Printing, postage, advertising	Time and effort
Utilities	Time and effort
Vehicle and travel	Time and effort

Reclassifications – Certain reclassifications have been made to the 2018 financial statements to conform to the 2019 presentation.

Adoption of New Accounting Pronouncements – Effective January 1, 2019, the Missionary Society adopted ASU No. 2014-09 – *Revenue from Contracts with Customers* (Topic 606). This ASU establishes a single comprehensive model for an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled, and will supersede nearly all existing revenue recognition guidelines to clarify revenue recognition principles. The update requires more comprehensive disclosures relating to quantitative and qualitative information for amounts, timing, the nature and uncertainty of revenue and cash flows arising from contracts with customers. The new guidance did not impact the amount of revenue recognized in previous periods, and, accordingly, there was no impact to the Missionary Society’s opening net asset balances upon adoption. The Missionary Society does not expect the impact of the adoption of the new standard to be material to the results of operations on an ongoing basis.

Effective January 1, 2019, the Missionary Society adopted ASU No. 2018-08 – *Not-For-Profit Entities* (Topic 958): “Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.” The update clarifies guidance about whether a transfer of assets is a contribution or an exchange transaction and whether a contribution is conditional or unconditional. In comparison to the year ended March 31, 2018, the effect of adopting the new accounting principle has no effect on contributions and grant revenue.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Event Measurement Date – The Missionary Society monitored and evaluated any subsequent events for footnote disclosure or adjustments required in its financial statements from the year ended December 31, 2019 through September 8, 2020, the date on which the financial statements were available to be issued.

Effective January 1, 2020, MSC entered into agreements with the Historic Massachusetts and Historic Rhode Island Conferences of the United Church of Christ to form the Southern New England Conference (“SNEC”). The Connecticut Conference was dissolved and all Conference operations, including MSC staff, were transferred to SNEC. The MSC Certificate of Incorporation and Bylaws were amended and restated. MSC will continue to hold real property and endowment assets.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (“COVID-19”) as a pandemic. COVID-19 has caused significant disruption in the national and global economy. MSC’s operating activities, liquidity, and cash flows may be adversely affected by this global pandemic. While the disruption is currently expected to be temporary, there is uncertainty related to the duration. Therefore, while MSC expects this matter to negatively impact the business, the related financial impact cannot be reasonably estimated at this time.

NOTE 2 – AVAILABILITY AND LIQUIDITY

The following represents MSC’s financial assets available to meet general expenditures over the next twelve months at December 31,:

	<u>2019</u>	<u>2018</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 1,075,229	\$ 1,262,658
Investment in Consolidated Trust Fund, net	19,265,775	16,820,874
Interests in beneficial trusts	3,643,778	3,109,878
	<u>23,984,782</u>	<u>21,193,410</u>
Less amounts not available to be used within one year:		
Designated - board reserve funds	(439,775)	(552,730)
Designated - funds functioning as endowment	(7,493,955)	(6,613,196)
Net Assets with donor restrictions	(16,159,585)	(14,125,692)
	<u>(24,093,315)</u>	<u>(21,291,618)</u>
Other sources/(uses) of cash:		
Expected endowment draw	822,201	804,857
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 713,668</u>	<u>\$ 706,649</u>

All operating support revenue is received in cash, and operating revenue and cash reserves were sufficient to meet all liquidity requirements for the periods covered by these statements. If necessary, Board designated funds could be used to meet any unanticipated liquidity needs.

NOTE 3 – INVESTMENTS

Assets held by others consisted of the following at December 31,:

	<u>2019</u>	<u>2018</u>
Consolidated Trust Fund		
Assets of the Missionary Society	\$ 19,265,775	\$ 16,820,874
Assets held as specified trustee (Special Trusts, see Note 7)	3,103,478	2,707,395
Assets held as nominal trustee	92,696,179	79,518,531
Assets held for Trustees of the Fund for Ministers	<u>12,922,736</u>	<u>11,344,399</u>
Total investments	127,988,168	110,391,199
Less liability for assets held for others	<u>(108,722,393)</u>	<u>(93,570,325)</u>
Investments included in net assets	<u>\$ 19,265,775</u>	<u>\$ 16,820,874</u>

The Missionary Society generally invests in publicly traded equities and debt securities through CTF which are allocated to the Missionary Society on a unitized basis. Donated securities are liquidated immediately and reinvested in CTF or applied to operations, unless a donor provides explicit instructions otherwise.

The primary investment objective of CTF is to maintain the inflation-adjusted market value of assets while providing a relatively predictable, growing stream of income. In addition, portfolio securities selected from among those investments meeting standards of socially responsible investing established by annual meetings and Board of Directors of the Connecticut Conference of the United Church of Christ.

The Board of Directors of the Missionary Society has adopted a total return investment and spending policy with the objective of preserving the inflation adjusted value of invested endowment assets. Annual spending for 2019 and 2018 was based on a twenty-quarter rolling average of asset value. The Board authorized annual endowment spending rates for 2019 and 2018 was 4.5%. This annual spending rate is based on the assumptions that the average annual rate of return on investments, including interest and dividends, net of fees, will be 7.5% and inflation will be 3.0%. Quasi-endowments (funds without donor restrictions functioning as endowments) are managed in the same manner as endowments, except additional spending is permitted according to a policy adopted by the Board of Directors when the endowment spending rate was reduced to 4.5%.

The amount of authorized spending in excess of dividend and interest income for 2019 and 2018 was \$462,696 and \$504,646 respectively. The 2019 and 2018 amounts include \$63,991 and \$54,862 of *additional spending* as described above, respectively. The 2019 and 2018 amounts also include an additional \$60,000 and \$80,000, respectively, authorized by the Board of Directors for paying for capital improvements at Silver Lake Conference Center. This amount is identified as *Investment return designated for operations* on the statements of support, revenue, and expenses - cash basis.

The composition of investment income consisted of the following at December 31,:

	<u>2019</u>	<u>2018</u>
Interest and dividends, net	\$ 405,398	\$ 368,792
Interest income from trusts	<u>124,999</u>	<u>146,870</u>
	<u>\$ 530,397</u>	<u>\$ 515,662</u>

NOTE 3 – INVESTMENTS (CONTINUED)

The Missionary Society follows *Fair Value Measurements and Disclosures* topic of the FASB Accounting Standards Codification (the “ASC”). The ASC defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles. The ASC defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The ASC also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The ASC describes three levels of inputs that may be used to measure fair values:

- Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2 – Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 – Significant unobservable inputs that reflect a company’s own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Valuation techniques based on unobservable inputs are highly subjective and require judgments regarding significant matters such as the amount and timing of future cash flows and the selection of discount rates that may appropriately reflect market and credit risks. Changes in these judgments often have a material impact on the fair value estimates. In addition, since these estimates are as of a specific point in time, they are susceptible to material near-term changes.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2019 and 2018.

Investment in Consolidated Trust Funds: MSC owns units of the CTF. It values its share of the CTF at the net asset value of shares held by MSC at year end. These funds are required to publish their daily NAV and to transact at that price. The units held by CTF are deemed to be actively traded.

Beneficial Interest in Trusts: MSC values its beneficial interests in trusts at the quoted market price of trust investments at year end.

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 Fund believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE 3 – INVESTMENTS (CONTINUED)

The following comprises Consolidated Trust Funds investments at December 31,:

	2019			
	Level 1	Level 2	Level 3	Total
Equities - common stocks	\$ 52,580,549	\$ -	\$ -	\$ 52,580,549
Equities - mutual funds and ETFs	38,530,806	-	-	38,530,806
Municipal bonds	-	5,293,922	-	5,293,922
U.S. and foreign bonds	-	20,650,559	-	20,650,559
U.S. government and agency obligations	-	10,046,325	-	10,046,325
Investment in cash management	630,691	-	-	630,691
Dividends and interest receivable	-	255,316	-	255,316
Total CTF investments	\$ 91,742,046	\$ 36,246,122	\$ -	\$ 127,988,168

	2018			
	Level 1	Level 2	Level 3	Total
Equities - common stocks	\$ 40,341,989	\$ -	\$ -	\$ 40,341,989
Equities - mutual funds and ETFs	33,673,187	-	-	33,673,187
Municipal bonds	-	5,900,480	-	5,900,480
U.S. and foreign bonds	-	20,110,544	-	20,110,544
U.S. government and agency obligations	-	10,091,984	-	10,091,984
Investment in cash management	26,441	-	-	26,441
Dividends and interest receivable	-	246,574	-	246,574
Total CTF investments	\$ 74,041,617	\$ 36,349,582	\$ -	\$ 110,391,199

The Total Return Fund has adopted a moderate risk, balanced investment strategy that emphasizes diversification. Investments are diversified across asset classes, industry sectors, individual companies, and duration of fixed income securities. In order to meet the investment objective, asset allocation is biased towards equities and other asset classes with equity-like returns. Fixed income securities and other asset classes are used to reduce volatility and hedge investment risks. Active management strategies are favored with the expectation that performance improvements will at least offset management costs.

The Eden Fund employs similar strategies, but investment managers exclude companies holding fossil fuel reserves. Active management and optimization strategies are utilized offset the loss of the potential investment return and diversification benefits of the excluded sectors.

NOTE 4 – ENDOWMENT FUNDS

The Missionary Society has adopted the provisions of the FASB “Endowments of Not-for-Profit Organizations – Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds”. The Missionary Society’s endowment consists of individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and Board designated quasi-endowment funds. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board to function as quasi-endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

NOTE 4 – ENDOWMENT FUNDS (CONTINUED)

Interpretation of Relevant Law – The Missionary Society has interpreted the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Trustees classifies as donor restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified above is classified as donor restricted net assets until those amounts are appropriated for expenditure by the Missionary Society in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Missionary Society consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

In accordance with UPMIFA, the Missionary Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Missionary Society and the donor-restricted endowment fund
- General economic conditions
- The possible effects of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Missionary Society
- The investment policies of the Missionary Society

Return Objectives and Risk Parameters – The Missionary Society has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment. Endowment assets include those assets of donor-restricted funds that the Missionary Society must hold in perpetuity or for a donor-specified period.

To satisfy its long-term rate-of-return objectives, the Missionary Society 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 Missionary Society targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Under Connecticut law, which has adopted the provisions of UPMIFA, the Missionary Society is permitted to appropriate as much of the investment appreciation as is prudent considering the Missionary Society’s long and short-term needs, present and anticipated financial requirements, expected total return on investments, price level trends, the possible effect of inflation or deflation, general economic conditions, and with giving primary consideration to donor intent.

NOTE 4 – ENDOWMENT FUNDS (CONTINUED)

The change in the Missionary Society’s endowment funds are as follows:

	Board- Designated	With Donor Restrictions	Total
Endowment at January 1, 2018	\$ 7,558,705	\$ 15,430,180	\$ 22,988,885
Investment return:			
Investment income, net of fees	135,601	232,977	368,578
Net depreciation (realized and unrealized)	(660,875)	(1,029,788)	(1,690,663)
Change in value of beneficial trusts	-	(471,288)	(471,288)
Total investment return	<u>(525,274)</u>	<u>(1,268,099)</u>	<u>(1,793,373)</u>
Amounts approved for expenditure	<u>(420,235)</u>	<u>(432,440)</u>	<u>(852,675)</u>
Endowment at December 31, 2018	<u>6,613,196</u>	<u>13,729,641</u>	<u>20,342,837</u>
Investment return:			
Investment income, net of fees	140,822	264,576	405,398
Net appreciation (realized and unrealized)	1,145,272	1,713,551	2,858,823
Change in value of beneficial trusts	-	533,900	533,900
Total investment return	<u>1,286,094</u>	<u>2,512,027</u>	<u>3,798,121</u>
Amounts approved for expenditure	<u>(405,335)</u>	<u>(478,002)</u>	<u>(883,337)</u>
Endowment at December 31, 2019	<u>\$ 7,493,955</u>	<u>\$ 15,763,666</u>	<u>\$ 23,257,621</u>

Descriptions of Endowment Funds, by Classification:

Purpose Restricted Endowment Funds (Name, year established, historic dollar value of gifts)

Everest Fund, 1847, \$7,329

Dr. Solomon Everest of Canton died in 1822 leaving \$4,101 to MSC and his wife, Amelia, died in 1843 leaving an additional \$3,228. The wills permit several purposes, but distributions have been used almost exclusively for seminary scholarships over the history of the fund and continue to be used for that purpose. The Connecticut General Assembly incorporated The Trustees of the Everest Fund in 1847 and consolidated this corporation with MSC in 1880.

Women’s Congregational Home Missionary Union of Connecticut (WCHMU) Anna Harris Andrews Fund, 1943, \$15,885

The WCHMU merged with MSC in 1943, resulting in the transfer of the Anna Harris Andrews Fund assets to MSC. The original amount of the 1933 bequest creating this fund is unknown and the amount transferred in 1944 is designated as donor restricted in perpetuity. The bequest specifies that “The income of this fund shall be used for work among non-English speaking women immigrants in Connecticut similar to that now being done by the Schaffler Missionary Training School of Cleveland, Ohio, with preference to the needs of the City of Hartford.” Grants are determined by an application and award process.

Mary R. Camp Fund, 1966, \$183,048 and 2002 \$372,873; Total \$555,921

This bequest from Mary R. Camp specifies that the income should be applied to the maintenance and operation of a home (or homes) for elderly people, which shall admit women, whether or not men are also admitted, that has been established in Connecticut by MSC or Congregational Churches of Connecticut. Grants are determined by an application and award process.

NOTE 4 – ENDOWMENT FUNDS (CONTINUED)

Cynthia Wheeler Carr Fund for Musical Education, 1976, \$9,348

This fund was established under a gift agreement with several family members and contributions were received for over 15 years. The fund provides scholarships for furthering skills in some aspect of sacred music.

James F. English Memorial Fund, 1976, \$13,112

Upon the death of this former Superintendent of the Connecticut Conference (1936-1962), gifts were solicited to create an endowment fund for equipment, supplies, and time required for the maintenance of the Conference archives and for the general work of the Historical Committee. Gifts were received for over ten years.

Dudley S. Ingraham, Memorial Fund, 1977, \$145,203

This fund was initially established for the upkeep of Ingraham House, a property donated to MSC for use as a conference and retreat center. The terms of the gift agreement permitted any surplus distributions to be used for other MSC conference centers after 2000. Ingraham House was sold in 2006. Distributions currently support Silver Lake Conference Center.

Silver Lake Scholarship Funds

McCally and Hull Memorial Fund, 1977, \$4,893

Sara Devine Memorial Fund, 1979, \$2,935

The First Congregational Church in Fair Haven UCC Scholarship Fund 1997, \$10,500

Endowment funds established to provide scholarships to summer conferences at Silver Lake Conference Center.

Nathanael M. Guptil Scholarship Fund, 1980, \$21,103

This seminary scholarship fund was established to honor Rev. Guptil upon his retirement as Conference Minister and gifts were received from churches and individuals over more than ten years. Additional gifts were received following Rev. Guptil's death in 2008.

Robert K. Mitchell Fund, 1981, \$46,232

Mr. Mitchell specified that distributions be used for the "general expenses of running the Silver Lake Conference Center with the sole qualification that if at some point in the future the Missionary Society should cease to operate Silver Lake the income would then be used for ministry to young people."

Anne H. Higgins Fund, 1986, \$2,055

This fund was established by a gift from the Corporation for the Aging in recognition of Rev. Higgins work with the aging, to create an endowment to support programmatic training for ministry to the aging by means of conferences, programs, papers or other means. No distributions have been made to date.

Hawkes Memorial Fund, 1991, \$4,685

Family members and friends established this fund to honor Jessie Newgeon Hawkes and William Emory Hawkes. The donors revised the purpose in 2013 to provide emergency grants to active or retired clergy person(s) who had entered ordained ministry later in life (age 40 or above).

NOTE 4 – ENDOWMENT FUNDS (CONTINUED)

Edward Galpin, Jr. Scholarship Fund, 1997, \$15,292

This fund was established by a bequest from Elizabeth P. Galpin and distributions are used for seminary scholarships.

Davida Foy Crabtree Scholarship Fund for Women Seminarians, 1999, \$18,530

Davida Foy established this fund under a gift annuity agreement. Assets initially distributed to Northfield Congregational Church reverted to this fund when the church withdrew from the UCC in 2005. In 2018, this endowment fund was transferred to Yale Divinity School to provide financial support to deserving women seminarians at Andover Newton Seminary at Yale.

Second Congregational Church of New London Legacy Scholarship Fund, 2019, \$50,000

This fund was established by the Waterford Congregational UCC to provide scholarships for SLCC programs. The scholarships are provided to need-based students primarily from Southeastern Connecticut.

General Purpose Endowment Funds (Name, year established, historic dollar value of gifts)

General Missions Fund, 1799, \$46,564

MSC created a permanent fund upon its founding and solicited gifts until 1830, when the American Home Missionary Society was established. When MSC, The Connecticut Home Missionary Society (CHMS) and The Trustees of the Everest Fund were consolidated in 1880, this fund became a part of the Western Work Department. The Board of Directors renamed this fund as the General Missions Fund in 1907.

Centennial Fund, 1898, \$100,000

Gifts to create a \$100,000 endowment fund were solicited in honor of the 100th Anniversary of MSC. Records indicate that this goal was reached, but that some Board-designated funds were added to gifts. The actual amount of Board-designated funds cannot be identified, but it appears that this fund is substantially donor restricted and so the fund is classified as an endowment fund.

Hezekiah L. Reade Fund, 1904, \$13,737

Mr. Reade left the residue of his estate to establish this endowment “to be used as the Society directs but within this State.”

Sarah C. Ward, 1914, \$338

By agreement with the estate of Sarah C. Ward, MSC received a fund of \$675, “the income to be used as follows: one half of said income for missionary work in Connecticut and one half to be paid to the Treasurer of the Congregational Home Missionary Society (CHMS) for national home missionary work.” One half of the assets and associated distributions are attributed to Local Church Ministries of the United Church of Christ.

NOTE 4 – ENDOWMENT FUNDS (CONTINUED)

State Work Fund – Permanent Gifts, 1835, \$42,865

When the CHMS and MSC were consolidated in 1880, CHMS assets were used to create the State Work Fund, including the permanent gift of Solomon Langdon. Over the history of this fund, donor restricted endowment funds were commingled with Board-designated funds without donor restrictions. In 2011, identifiable donor restricted endowment gifts and estimated investment appreciation were moved into this account. Gifts included in this fund:

Year	Donor	Amount
1835	Solomon Langdon	\$ 1,000
1893	William W. Backus	2,000
1900	Robert Crane in memory of his wife, Eunice M. Crane, and their son, Robert F. Crane	6,000
1900	Laura & Elizabeth Wheeler	3,304
1902	Leman W. Cutler	1,518
1912	John Elderkin in memory of Mary Esther Powers Elderkin	560
1913	A. Sophia Camp	5,173
1913	G. Edward Langdon	682
1917	David N. Camp	1,000
1922	Sarah F C Selden Fund	100
1926	William B Hawley	1,000
1926	Mabel K Thompson	11,028
1934	John T. McKnight in memory of Julia Kimball McKnight	2,000
1914	Sara G. Williams in memory of Dwight L . Williams	7,500

Edward F. Harrison Fund, 1925, \$5,000

By will of Edward F. Harrison, MSC received \$10,000 “the same to be held as a permanent endowment, half of the annual income accruing there from to be used for the general purposes of MSC and the other half of the annual income to be used for the same purposes and in the same manner as income from its fund for ministers.” One half of the assets and associated distributions are attributed to The Trustees of the Fund for Ministers.

John M. Baker Family Fund, 1935, \$5,000

This fund was established with a bequest of \$10,000, “the income thereof used to help needy churches and aged ministers.” The assets and associated distributions are split equally between MSC and The Trustees of the Fund for Ministers.

Women’s Congregational Home Missionary Union of Connecticut (WCHMU) General Fund, 1943, \$86,644

The WCHMU merged with MSC in 1943, resulting in the transfer of the General Fund assets to MSC. The gift instruments conveying assets to the WCHMU are no longer available. However, the assets were accepted as a gift from the WCHMU and, as the donor, the WCHMU stipulated that the assets would be maintained as an endowment and income divided according to the “apportionment percentages.” Distributions currently follow the Our Church’s Wider Mission (OCWM) Basic Support allocations approved by the Connecticut Conference Annual Meeting.

This fund represents a beneficial interest in a larger fund. The fund does not have a fixed formula for distributions to beneficiaries and distributions vary based on decisions of the Connecticut Conference of the United Church of Christ.

NOTE 4 – ENDOWMENT FUNDS (CONTINUED)

Lucille Robbins and Eleanor Appling Fund, 2007, \$375,843

The will of Lucille Robbins specified that this bequest be held in trust with the income used for MSC's general purposes. In 2008, the Board designated a portion (\$52,914) of an bequest without restrictions from Eleanor Appling as an addition to this fund so that the fund would continue to meet the criteria established for spending from endowment funds by the Uniform Prudent Management of Institutional Funds Act.

Restricted Purpose Funds Functioning as Endowment

The following restricted purpose gifts have been designated by the Missionary Society to function as endowments (Fund name, year established, historic dollar value of gift):

Beardsley Fund, 1904, \$5,055

Rev. Bronson Beardsley died in 1899 and left MSC \$2,025, to be paid upon his wife's death, "to be applied to the assistance of needy ministers and their families." Mary Beardsley died in 1904, leaving an additional \$3,030 to MSC for the same purpose. While the donors did not stipulate that the bequests were to establish permanent funds, the MSC Board has directed that only income and total return distributions be spent. Currently distributions are used to provide emergency grants to clergy.

Minority Scholarship Fund, 1978, \$49,361

The 1776 Achievement Fund of the United Church of Christ was a nationwide campaign to raise money for the most pressing needs of the six predominately black colleges of the South founded by the American Missionary Society, and for educational projects of the Board for World Ministries (now Wider Church Ministries.) A portion (4.5%) of the funds raised in Connecticut was allocated to the Connecticut Conference. In 1975, the Conference Annual Meeting acted to use these funds to establish a permanent fund for scholarship aid to minority students. As only donors can establish endowments, and as there is no evidence that the gift solicitations specified that a portion of the gifts would be used this way, this fund is classified as purpose restricted functioning as endowment. In 2013, \$2,019 was added to this fund from a special offering.

David B. Foy Memorial Fund, 1999, \$4,740

This fund was established by the Board of Directors and includes funds donated personally by Board members. Therefore, the fund is considered donor restricted. Spending is to support ministries that exemplify David B. Foy's life: concern for small churches, ministries of the laity, ministries in public school and public education, and spirituality development. Currently spending supports the Living Waters Award for laity.

George and Beatrice Jones Baldwin Memorial Fund, 2017, \$226,695

Rev. Harry Baldwin bequeathed \$453,390 to support "ecumenical and inter-religious programs sponsored by the Connecticut Conference of the United Church of Christ in cooperation with local churches to provide educational and service ministries the prophetic tradition..." The Board of Directors designated one-half of this gift to function as an endowment, with total return distributions used to support the work of the Conference's Legislative advocate to build ecumenical and inter-religious coalitions in cooperation with local churches to pursue legislation promoting social, economic and environmental justice. The designated amount is shown as a withdrawal from the Baldwin Memorial Fund (see Note 9).

NOTE 4 – ENDOWMENT FUNDS (CONTINUED)

Funds Without Donor Restrictions Functioning as Endowment – Board Designated Purpose

MSC maintained several funds without donor restrictions functioning as endowments accounts with different Board designated purposes, which are described below. On November 30, 2015, accounts were consolidated with other funds without donor restrictions functioning as an endowment to simplify accounting and reporting. Fund balances before the consolidation are listed for historical purposes.

The Congregational Fund, November 30, 2015 balance \$594,507

The Shelton Administration Fund, November 30, 2015 balance \$929,973

Emergency Fund, November 30, 2015 balance \$146,875

New American Fund, November 30, 2015 balance \$847,951

Funds Without Donor Restrictions Functioning as Endowment – General Purpose

MSC maintained several funds without donor restrictions functioning as endowments accounts, which are listed below. On October 31, 2013, accounts were consolidated to simplify accounting and reporting. Fund balances before the consolidation on October 31, 2013 are below:

State Work Fund – Unrestricted Gifts, October 31, 2013 balance \$3,303,703

Marion H. Jones Fund, October 31, 2013 balance \$136,240

Closed Churches Fund, October 31, 2013 balance \$945,086

Howard and Gertrude Noble Fund, October 31, 2013 balance \$42,434

Norris W. Rathbun Fund, October 31, 2013 balance \$58,236

J. Kenneth and Hilda E. Carruthers Fund, October 31, 2013 balance \$10,683

NOTE 5 – INTEREST IN BENEFICIAL TRUSTS

The Missionary Society is the beneficiary of trusts held by third parties. In conformance with the ASC topic, *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*, the Missionary Society recognizes its interest in the net assets of the trusts at fair value. The proceeds of these trusts are without donor restriction.

As MSC has no discretion over the spending of the historic dollar value of the initial gift or accumulated appreciation, the full amount of the interests is listed as donor restricted in perpetuity. This means the balance changes from year to year.

The outside trusts include:

Fund	Trustee	Interest	2019	2018
Henry Allen Trust	Missionary Society of CT	100.00%	\$ 276,766	\$ 241,416
Frank Baker Trust	Bank of America	50.00%	2,445,160	2,078,823
Edward H. Bingham Trust	Bank of America	6.67%	240,240	204,449
Russell Gould Trust	United Church Funds	100.00%	19,299	16,438
Howard and Mildred Orr Trust	Bank of America	25.00%	45,321	39,555
Frances L. Rathbun Trust	Bank of America	100.00%	438,263	376,567
Lewis E. Stanton Trust	Bank of America	100.00%	175,314	149,721
Irma P. & Robert L. Howbrigg Trust	United Church Funds	10.00%	3,415	2,909
Total			<u>\$ 3,643,778</u>	<u>\$ 3,109,878</u>

The Howbrigg Trust was established in 2018 and is accounted for on the statement of activities as an individual contribution.

NOTE 6 – NOTES RECEIVABLE

The Missionary Society provides mortgages and short-term loans to eligible staff. Established personnel policies authorize mortgages and short-term loans. Total employee notes receivable as of December 31, 2019 and 2018 were \$117,082. Repayment is triggered by the departure of an employee in two cases and the death of a former employee in the third case. This can occur in more or less than five years. Therefore, there is no requirement that any of the aforementioned loans be repaid within five years.

NOTE 7 – LIABILITY FOR ASSETS HELD FOR OTHERS

The Missionary Society is the trustee for the CTF. In addition, the Missionary Society is specifically identified as trustee for nine named funds (the “Special Trusts”) in the CTF. The Missionary Society is responsible for overseeing the investment management of these funds and ensuring the proper distribution is made from the funds to the beneficiaries on an annual basis.

The Special Trusts and the balances that the Missionary Society oversees are as follows at year end:

<u>Beneficiary</u>	<u>Fund</u>	<u>2019</u>	<u>2018</u>
Hadlyme Congregational Church of UCC	Anstis Brownell Spencer Fund	\$ 302,343	\$ 263,727
North Canaan Congregational Church, UCC	Irene A. Cowdery Fund	275,688	240,476
Mohegan Congregational Church	Mohegan Fund	918,108	800,847
Second Congregational Church, Winsted	Caroline Hinsdale Rockwell Fund	343,931	300,004
United Church of Westville	Trust Fund	742,316	647,507
Local Church Ministries, UCC	WCHMU General Endowment Fund	426,862	372,639
Local Church Ministries, UCC	Sarah C. Ward Fund	2,673	2,331
Trustees of The Fund For Ministers	Edward F. Harrison Fund	63,799	55,650
Trustees of The Fund For Ministers	John M. Baker Family Fund	27,758	24,214
		<u>\$ 3,103,478</u>	<u>\$ 2,707,395</u>
Total			

All of the income from these funds is for the benefit of other organizations. These trusts are treated as liability for amounts held for others and are included in investments on the statements of assets, liabilities and net assets – cash basis. Assets Held as Nominal Trustee represents assets invested by member churches in the CTF. The Missionary Society serves as trustee solely for the investment management of the assets. Withdrawals and distributions remain under the control of each participating member church.

NOTE 8 – LAND, BUILDINGS, EQUIPMENT, AND FURNITURE AND FIXTURES

Fixed assets were comprised of the following at December 31, 2019:

	<u>UCC Center</u>	<u>Silver Lake CC</u>	<u>Total</u>
Buildings and improvements	\$ 488,451	\$ 5,633,802	\$ 6,122,253
Furniture and fixtures	134,769	276,807	411,576
Equipment	272,392	709,330	981,722
	895,612	6,619,939	7,515,551
Less accumulated depreciation	<u>(744,844)</u>	<u>(3,567,764)</u>	<u>(4,312,608)</u>
	150,768	3,052,175	3,202,943
Land	1,000	207,374	208,374
Fine arts and antiques	98,350	-	98,350
	<u>\$ 250,118</u>	<u>\$ 3,259,549</u>	<u>\$ 3,509,667</u>

NOTE 8 – LAND, BUILDINGS, EQUIPMENT, AND FURNITURE AND FIXTURES (CONTINUED)

Fixed assets were comprised of the following at December 31, 2018:

	<u>UCC Center</u>	<u>Silver Lake CC</u>	<u>Total</u>
Buildings and improvements	\$ 488,451	\$ 5,679,276	\$ 6,167,727
Furniture and fixtures	134,769	271,749	406,518
Equipment	<u>270,810</u>	<u>676,642</u>	<u>947,452</u>
	894,030	6,627,667	7,521,697
Less accumulated depreciation	<u>(721,248)</u>	<u>(3,471,622)</u>	<u>(4,192,870)</u>
	172,782	3,156,045	3,328,827
Land	1,000	161,900	162,900
Fine arts and antiques	<u>98,350</u>	<u>-</u>	<u>98,350</u>
	<u>\$ 272,132</u>	<u>\$ 3,317,945</u>	<u>\$ 3,590,077</u>

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

The Missionary Society has four categories of net assets with donor restrictions as of December 31,:

	<u>2019</u>	<u>2018</u>
Principal portion of endowment funds	\$ 5,127,272	\$ 5,127,272
Net appreciation on endowment funds	9,740,467	7,727,361
Endowment total return distributions to be expended	230,987	295,002
Purpose restricted gifts designated to function as endowments	<u>664,940</u>	<u>580,006</u>
Total endowment	15,763,666	13,729,641
Purpose restricted gifts that have not yet been expended	<u>395,919</u>	<u>396,051</u>
Total	<u>\$ 16,159,585</u>	<u>\$ 14,125,692</u>

The Missionary Society classifies net appreciation on donor restricted endowment funds as donor restricted as to time until appropriated for spending by the Missionary Society. Appropriation decisions are governed by the Uniform Prudent Management of Institutional Funds Act and other applicable legal requirements. It is the policy of the Missionary Society to treat these donor restricted amounts as if they were donor restricted and to only apply the annual distributions determined by the total return spending policies to the donor designated purposes or general purposes of the Missionary Society as the case may be. Net appreciation of endowment funds totaled \$9,740,467 and \$7,727,361 for the years ended December 31, 2019 and 2018, respectively.

Endowment total return distributions to be expended are listed by fund in the schedules of net assets by classification – cash basis on pages 31 and 32. Distributions are received monthly and held as cash until expended or until the Board of Directors authorizes re-investment.

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets with donor restrictions related to purpose restricted funds as of December 31, 2019, are available as follows:

	2018	Additions/ (Withdrawals)	Expense	2019
Baldwin Memorial Fund	\$ 206,600	\$ 1,812	\$ (15,000)	\$ 193,412
C. Noble Fund - UCC Symbol	977	-	-	977
Challenge Course	-	28,452	(12,075)	16,377
Clergy Enrichment Grants	9,133	5,000	(4,500)	9,633
Colombia Partnership - Sembrandopaz	10	-	-	10
Crossroads Initiative Fund	54,526	-	(1,500)	53,026
Disc Golf Course	218	-	-	218
Diving Raft Fund	90	-	-	90
Economic Justice	2,605	400	(80)	2,925
Environmental Justice Program	4,510	415	(4,925)	-
FOC Justice	670	25	-	695
Gillette Fund	3,050	-	-	3,050
Grant Income Employee Stipend	-	4,500	(4,500)	-
Health Care Curriculum	641	-	-	641
Lakota Reservation Mission Trip	1,135	5,800	(5,457)	1,478
New Church Leadership Funds	4,372	-	-	4,372
ONA 100 x 100	2,725	25	(980)	1,770
Other Restricted/ONA event	622	-	-	622
Overground Railroad	7,500	-	-	7,500
Pettengill's Church Development	1,414	-	-	1,414
Prophetic Voice	792	-	-	792
Racial Justice Ministries	6,595	400	(801)	6,194
Reimagining the Bible	67	-	-	67
Sem School - Litchfield North	5,100	-	-	5,100
SLCC Alden Tryroll Memorial Fund	3,455	-	-	3,455
SLCC Cabin Maintenance Fund	3,218	-	-	3,218
SLCC Event Underwriting	1,003	2,225	(3,228)	-
SLCC Lodge Furniture Fund	2,674	-	-	2,674
SLCC Mulvaney Memorial Fund	2,821	240	(8)	3,053
SLCC Ned Bunnel Memorial Fund	1,881	-	-	1,881
SLCC Program Director Support	3,172	-	(3,172)	-
SLCC Restret Contrb-Wish List	6,137	7,720	(198)	13,659
SLCC Scholarships	7,122	16,988	(16,450)	7,660
SLCC Scholarships Inner City	635	5,000	(5,445)	190
SLCC Scholarships Minority	-	2,500	-	2,500
SLCC Seeding for Trees	539	-	-	539
SLCC Sustainability	265	-	-	265
SLCC Tractor Income	251	-	(251)	-
Stewardship Grant	912	-	-	912
Strengthen the Church	18,258	18,573	(17,085)	19,746
Strengthening our Voices Together	12,599	-	-	12,599
TAWFG	23	-	-	23
Uncle "E" Scholarship	10,921	-	(4,376)	6,545
Youth & Young Adult Ministry	1,440	-	-	1,440
Youth at Synod Scholarships	176	15,261	(15,437)	-
Youth Ministry Giv2	5,197	-	-	5,197
Total	\$ 396,051	\$ 115,336	\$ (115,468)	\$ 395,919

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets with donor restrictions related to purpose restricted funds as of December 31, 2018, are available as follows:

	2017	Additions/ (Withdrawals)	Expense	2018
Baldwin Memorial Fund	\$ 213,898	\$ 1,812	\$ (9,110)	\$ 206,600
C. Noble Fund - UCC Symbol	977	-	-	977
Clergy Enrichment Grants	7,726	2,407	(1,000)	9,133
Colombia Partnership - Sembrandopaz	10	-	-	10
Crossroads Initiative Fund	54,526	-	-	54,526
Disc Golf Course	-	4,240	(4,022)	218
Diving Raft Fund	-	90	-	90
Eastern Regional Youth	-	5,541	(5,541)	-
Economic Justice	2,605	-	-	2,605
Environmental Justice Program	8,270	6,136	(9,896)	4,510
FOC Justice	-	670	-	670
Gillette Fund	-	3,050	-	3,050
Health Care Curriculum	641	-	-	641
Lakota Reservation Mission Trip	882	12,425	(12,172)	1,135
New Church Leadership Funds	4,372	-	-	4,372
ONA 100 x 100	-	2,975	(250)	2,725
Other Restricted/ONA event	622	-	-	622
Overground Railroad	7,500	-	-	7,500
Pettengill's Church Development	1,414	-	-	1,414
Prophetic Voice	792	-	-	792
Racial Justice Ministries	6,952	2,675	(3,032)	6,595
Reimagining the Bible	-	770	(703)	67
Sem School - Litchfield North	5,100	-	-	5,100
SLCC Alden Tryroll Memorial Fund	3,455	-	-	3,455
SLCC Cabin Maintenance Fund	2,168	1,050	-	3,218
SLCC Development Staff Funds	16,947	-	(16,947)	-
SLCC Event Underwriting	1,647	-	(644)	1,003
SLCC Lodge Furniture Fund	2,674	-	-	2,674
SLCC Mulvaney Memorial Fund	2,592	240	(11)	2,821
SLCC Ned Bunnell Memorial Fund	1,708	175	(2)	1,881
SLCC Program Director Support	4,000	1,000	(1,828)	3,172
SLCC Restret Contrb-Wish List	3,386	3,704	(953)	6,137
SLCC Ropes Course	(74,708)	81,166	(6,458)	-
SLCC Scholarships	861	26,261	(20,000)	7,122
SLCC Scholarships Inner City	-	5,000	(4,365)	635
SLCC Seeding for Trees	539	-	-	539
SLCC Sustainability	265	-	-	265
SLCC Tractor Income	251	-	-	251
Stewardship Grant	912	-	-	912
Strengthen the Church	-	18,258	-	18,258
Strengthening our Voices Together	12,599	-	-	12,599
TAWFG	23	950	(950)	23
Uncle "E" Scholarship	-	10,921	-	10,921
Youth & Young Adult Ministry	1,440	-	-	1,440
Youth at Synod Scholarships	6,996	4,101	(10,921)	176
Youth Ministry Giv2	5,159	500	(462)	5,197
Total	\$ 309,201	\$ 196,117	\$ (109,267)	\$ 396,051

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

The net assets released from restriction were as follows for the years ended December 31,:

	2019	2018
Purpose	\$ 115,468	\$ 109,267
Endowment	478,002	432,440
Received and released in same year	<u>801,661</u>	<u>772,678</u>
Total net assets released from restriction	<u><u>\$ 1,395,131</u></u>	<u><u>\$ 1,314,385</u></u>

NOTE 10 – BOARD DESIGNATED FUNDS

The Missionary Society has two categories of Board Designated Funds: Assets without donor restrictions functioning as endowment (see Note 4) and assets without donor restrictions designated for specific purposes.

The Board of Directors has designated net assets for specific purposes as follows for the year ended December 31, 2019:

	Beginning Balance	Additions	Expenses	Board Allocations	Ending Balance
<u>Pre-paid Program Fees</u>					
Confirmation Retreats	\$ 3,844	\$ 26,980	\$ (21,793)	\$ -	\$ 9,031
Stepping Stones fees	693	760	(1,020)	-	433
General Association	-	20,646	(20,646)	-	-
<u>Smoothing Accounts</u>					
Interim Staff	12,447	-	(21,546)	11,000	1,901
Recruitment and Relocation	12,111	-	(468)	6,000	17,643
Synod Delegates	9,817	21,696	(46,933)	15,420	-
<u>Savings Accounts</u>					
Staffing Fund	149,826	643	-	(104,408)	46,061
Sherman St Capital	10,000	-	-	10,000	20,000
Together as 1 Initiative	18,578	-	(24,509)	5,931	-
<u>Silver Lake Accounts</u>					
Silver Lake Capital Imprv Fund	161,447	12,326	(37,746)	89,888	225,915
Marketing Fund	20,807	-	(1,102)	-	19,705
Mission Trip (Pre-paid fees)	4,525	-	(455)	-	4,070
<u>Other Accounts</u>					
Program Fund	9,095	-	-	(9,095)	-
Strengthen the Church	13,512	-	(1,496)	-	12,016
Environmental Justice Ministries	1,028	18,000	(27,337)	8,309	-
Racial Justice Ministries	-	6,205	(6,205)	-	-
Do the New Grant Fund	<u>125,000</u>	<u>-</u>	<u>(42,000)</u>	<u>-</u>	<u>83,000</u>
	<u><u>\$ 552,730</u></u>	<u><u>\$ 107,256</u></u>	<u><u>\$ (253,256)</u></u>	<u><u>\$ 33,045</u></u>	<u><u>\$ 439,775</u></u>

NOTE 10 – BOARD DESIGNATED FUNDS (CONTINUED)

The Board of Directors has designated net assets without donor restrictions for specific purposes as follows for the years ended December 31, 2018:

	Beginning Balance	Additions	Expenses	Board Allocations	Ending Balance
<i><u>Pre-paid Program Fees</u></i>					
Confirmation Retreats	\$ 8,396	\$ 14,180	\$ (18,732)	\$ -	\$ 3,844
Stepping Stones fees	693	-	-	-	693
General Association	-	12,701	(12,701)	-	-
<i><u>Smoothing Accounts</u></i>					
Interim Staff	19,107	-	(17,660)	11,000	12,447
Recruitment and Relocation	6,291	-	(180)	6,000	12,111
Synod Delegates	1,817	-	-	8,000	9,817
<i><u>Savings Accounts</u></i>					
Staffing Fund	72,075	639	-	77,112	149,826
Sherman St Capital	-	-	-	10,000	10,000
Together as 1 Initiative	40,000	-	(21,422)	-	18,578
<i><u>Silver Lake Accounts</u></i>					
Silver Lake Capital Imprv Fund	208,862	-	(185,020)	137,605	161,447
Marketing Fund	24,197	-	(3,390)	-	20,807
Mission Trip (Pre-paid fees)	2,442	2,083	-	-	4,525
<i><u>Other Accounts</u></i>					
Program Fund	9,095	-	-	-	9,095
Strengthen the Church	15,495	-	(1,983)	-	13,512
Environmental Justice Ministries	2,303	18,000	(19,275)	-	1,028
Racial Justice Ministries	-	1,665	(1,665)	-	-
Do the New Grant Fund	125,000	-	-	-	125,000
	<u>\$ 535,773</u>	<u>\$ 49,268</u>	<u>\$ (282,028)</u>	<u>\$ 249,717</u>	<u>\$ 552,730</u>

A description of each of the funds is as follows:

Pre-Paid Program Fees: To account for registration fees that have been collected and not spent, either because program has not taken place yet or any accumulated surplus is being “rolled forward” into future years.

Smoothing Accounts: To provide for expenses that are unpredictable and vary considerably from year to year. This includes interim staffing, recruitment and relocation, General Synod delegate, and Conference Minister Search expense.

Savings Accounts: To ensure that operating surplus is designated for ongoing Conference mission and ministry; also to hedge against uncertainty.

Silver Lake Accounts: Savings accounts for capital improvements and staffing, and a pre-paid program fee account for mission trips.

Other Accounts: As designated by Board from time to time.

NOTE 11 – RELATED ORGANIZATIONS

The Missionary Society is a related organization to the Trustees of the Fund of Ministers (“Trustees”). The two organizations share common board members and administrative offices in Hartford. The Trustees reimburse the Missionary Society for its share of allocable program and administrative expenses. Amounts received from Trustees for each of the years ended December 31, 2019 and 2018 was \$255,101 and \$251,695, respectively.

NOTE 12 – CONCENTRATION OF CREDIT RISK

The Missionary Society maintains its cash, money market and temporary investments in bank deposit accounts which, at times, may exceed federally insured limits. The Missionary Society has not experienced any losses in such accounts and believes they are not exposed to any significant credit risk on cash and cash equivalents.

NOTE 13 – OPERATING LEASES

The Missionary Society leases certain equipment under operating leases expiring on December 31, 2020 and March 31, 2021. The Missionary Society is responsible for maintenance, taxes and related insurance costs. Total rental expense was \$36,710 and \$34,123 for the years ended December 31, 2019 and 2018, respectively. Future commitments under these leases are as follows for the year ending December 31,:

2020	\$	18,395
2021		4,080

NOTE 14 – DEFINED CONTRIBUTION PLAN

MSC participates in the Annuity Fund, a contributory defined contribution pension plan, offered by the Pension Boards of the United Church of Christ. MSC makes quarterly contributions on the employee’s behalf at the percentage of salary stated in the employee’s letter of employment. Employer contributions included in the statements of support, revenue and expenses – cash basis were approximately \$141,000 and \$149,000 for the years ending December 2019 and 2018, respectively.

INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION

To the Board of Directors of
Missionary Society of Connecticut

We have audited the financial statements of the Missionary Society of Connecticut as of and for the years ended December 31, 2019 and 2018, and have issued our report thereon dated September 8, 2020, which contained an unmodified opinion on the cash basis financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The schedules of net assets by classification - cash basis are presented for the purpose of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the financial statements as a whole.



Hartford, Connecticut
September 8, 2020

MISSIONARY SOCIETY OF CONNECTICUT

Schedule of Net Assets by Classification – Cash Basis

For the year ended December 31, 2019

	Donor Restricted	Distributed Total Return to be Expended	Funds Without Donor Restrictions Functioning as an Endowment	Funds without Donor Restrictions	Total
<i><u>Restricted Purpose Endowments</u></i>					
Solomon & Amelia Everest Seminary Scholarship Fund	\$ 275,633	\$ 15,629	\$ -	\$ -	\$ 291,262
WCHMU Anna Harris Andrews Fund (Fund 96)	404,794	31,139	-	-	435,933
Mary R. Camp Fund (Fund 97)	2,888,567	111,528	-	-	3,000,095
C. W. Carr Fund for Music Education	51,916	892	-	-	52,808
James F English Memorial Fund (Fund 98)	74,593	10,652	-	-	85,245
Dudley S. Ingraham, Jr. Memorial Fund	782,086	-	-	-	782,086
Silver Lake Scholarship Funds	47,700	7,182	-	-	54,882
Nathanael M Guptil Scholarship Fund (Fund 99)	114,807	2,962	-	-	117,769
Robert K. Mitchell Fund	222,303	-	-	-	222,303
Anne H. Higgins Fund	6,314	3,039	-	-	9,353
Hawkes Memorial Fund	25,455	7,916	-	-	33,371
Edward Galpin, Jr. Scholarship Fund	28,571	110	-	-	28,681
Second Congregational Church of New London Legacy Scholarship Fund	52,205	1,340	-	-	53,545
<i><u>General Purpose Endowments</u></i>					
General Missions Fund	534,680	-	-	-	534,680
Centennial Fund (Fund 45)	2,379,993	-	-	-	2,379,993
Hezekiah L. Reade Fund (Fund 80)	334,426	-	-	-	334,426
Sarah C. Ward Fund (Fund 90)	2,689	-	-	-	2,689
State Work Funds - Permanent Gifts (Fund 60)	677,667	-	-	-	677,667
Edward F. Harrison Fund (Fund 67)	63,638	-	-	-	63,638
John M. Baker Family Fund (Fund 68)	27,818	-	-	-	27,818
WCHMU General Fund (Fund 95)	1,733,905	-	-	-	1,733,905
Lucille Robbins and Eleanor Appling Fund	494,201	-	-	-	494,201
Interest in Beneficiary Trusts	3,643,778	-	-	-	3,643,778
<i><u>Purpose Restricted Funds Functioning as Endowments</u></i>					
Bronson & Mary Beardsley Fund (Fund 500)	149,767	32,940	-	-	182,707
Minority Scholarship Fund	263,062	5,503	-	-	268,565
Davida Foy Memorial Fund	7,226	3,481	-	-	10,707
Baldwin Fund	244,885	(3,326)	-	-	241,559
<i><u>Other Purpose Restricted Funds</u></i>					
Purpose Restricted Funds	395,919	-	-	-	395,919
<i><u>Funds Without Donor Restrictions Functioning as Endowment -</u></i>					
<i><u>General Purpose</u></i>					
General Purpose	-	-	7,493,955	-	7,493,955
<i><u>Other Funds Without Donor Restrictions</u></i>					
Board Designated	-	-	-	439,775	439,775
Equity in property and equipment	-	-	-	3,509,667	3,509,667
Undesignated	-	-	-	11,924	11,924
Total	\$ 15,928,598	\$ 230,987	\$ 7,493,955	\$ 3,961,366	\$ 27,614,906

MISSIONARY SOCIETY OF CONNECTICUT

Schedule of Net Assets by Classification – Cash Basis

For the year ended December 31, 2018

	Donor Restricted	Distributed Total Return to be Expended	Funds Without Donor Restrictions Functioning as an Endowment	Funds without Donor Restrictions	Total
<i><u>Restricted Purpose Endowments</u></i>					
Solomon & Amelia Everest Seminary Scholarship Fund	\$ 240,426	\$ 16,992	\$ -	\$ -	\$ 257,418
WCHMU Anna Harris Andrews Fund (Fund 96)	353,088	47,655	-	-	400,743
Mary R. Camp Fund (Fund 97)	2,519,602	169,032	-	-	2,688,634
C. W. Carr Fund for Music Education	45,285	1,874	-	-	47,159
James F English Memorial Fund (Fund 98)	65,065	10,620	-	-	75,685
Dudley S. Ingraham, Jr. Memorial Fund	682,187	-	-	-	682,187
Silver Lake Scholarship Funds	41,607	5,328	-	-	46,935
Nathanael M Guptil Scholarship Fund (Fund 99)	193,908	-	-	-	193,908
Robert K. Mitchell Fund	100,142	1,209	-	-	101,351
Anne H. Higgins Fund	5,508	2,793	-	-	8,301
Hawkes Memorial Fund	22,203	6,927	-	-	29,130
Edward Galpin, Jr. Scholarship Fund	24,922	392	-	-	25,314
Davida Foy Crabtree Seminary Scholarship	-	323	-	-	323
<i><u>General Purpose Endowments</u></i>					
General Missions Fund	466,383	-	-	-	466,383
Centennial Fund (Fund 45)	2,075,990	-	-	-	2,075,990
Hezekiah L. Reade Fund (Fund 80)	291,708	-	-	-	291,708
Sarah C. Ward Fund (Fund 90)	2,346	-	-	-	2,346
State Work Funds - Permanent Gifts (Fund 60)	591,107	-	-	-	591,107
Edward F. Harrison Fund (Fund 67)	55,510	-	-	-	55,510
John M. Baker Family Fund (Fund 68)	24,265	-	-	-	24,265
WCHMU General Fund (Fund 95)	1,512,428	-	-	-	1,512,428
Lucille Robbins and Eleanor Appling Fund	431,075	-	-	-	431,075
Interest in Beneficiary Trusts	3,109,878	-	-	-	3,109,878
<i><u>Purpose Restricted Funds Functioning as Endowments</u></i>					
Bronson & Mary Beardsley Fund (Fund 500)	130,637	27,119	-	-	157,756
Minority Scholarship Fund	229,460	3,030	-	-	232,490
Davida Foy Memorial Fund	6,303	3,200	-	-	9,503
Baldwin Fund	213,606	(1,492)	-	-	212,114
<i><u>Other Purpose Restricted Funds</u></i>					
Purpose Restricted Funds	396,051	-	-	-	396,051
<i><u>Funds Without Donor Restrictions Functioning as Endowment -</u></i>					
<i><u>General Purpose</u></i>					
General Purpose	-	-	6,613,196	-	6,613,196
<i><u>Other Funds Without Donor Restrictions</u></i>					
Board Designated	-	-	-	552,730	552,730
Equity in property and equipment	-	-	-	3,590,077	3,590,077
Undesignated	-	-	-	11,924	11,924
Total	<u>\$ 13,830,690</u>	<u>\$ 295,002</u>	<u>\$ 6,613,196</u>	<u>\$ 4,154,731</u>	<u>\$ 24,893,619</u>

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