

**St. Vincent De Paul of Baltimore, Inc.  
and Supporting Organizations**

*For the Fiscal Year Ended June 30, 2017*

*Financial Statements  
and  
Report of Independent Auditor*

**JOHN C. WALSH & CO.**  
*CERTIFIED PUBLIC ACCOUNTANT*

## FINANCIAL STATEMENTS

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
St. Vincent de Paul of Baltimore, Inc. and Subsidiaries  
Baltimore, Maryland

We have audited the accompanying consolidated financial statements of the St. Vincent de Paul of Baltimore, Inc. (a non-profit organization) and its Supporting Organizations, which is comprised of the consolidated statement of financial position as of June 30, 2017 and the related consolidated statement of activities and changes in net assets and statement of cash flows for the fiscal year then ended and the related notes to the consolidated financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America: this includes 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and, with respect to St. Vincent De Paul of Baltimore, Inc., the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the St. Vincent de Paul of Baltimore, Inc. (a non-profit organization) and its Supporting Organizations as of June 30, 2017, and the changes in its net assets and the changes in its cash flows for the year ended June 30, 2017, in conformity with accounting principles generally accepted in the United States of America.

## **Other Reporting Required By Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2018 on our consideration of the St. Vincent de Paul of Baltimore, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

April 30, 2018

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Consolidated Statement of Financial Position**  
**June 30, 2017**

	<b>2017</b>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 557,202
Accounts Receivable	1,543,690
Pledges Receivable (Note 3)	989,798
Investments (Note 4 and 5)	4,038,006
Security Deposit and Prepaid Expenses	110,223
Inventory	55,165
Buildings and Equipment, Net of Accumulated Depreciation (Notes 7 and 9)	17,084,907
<b>Total Assets</b>	<b>\$ 24,378,991</b>
<b>Liabilities and Net Assets</b>	
Accounts Payable and Accrued Expenses	\$ 737,131
Accrued Pension Liability (Note 11)	476,374
Notes Payable (Note 10)	203,283
Loans Payable (Note 9)	1,772,925
<b>Total Liabilities</b>	<b>\$ 3,189,713</b>
<b>Commitments (Notes 10, 11 and 13)</b>	
<b>Net Assets</b>	
Unrestricted	\$ 20,937,548
Temporarily Restricted (Note 12)	251,730
<b>Total Net Assets</b>	<b>\$ 21,189,278</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 24,378,991</b>

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Consolidated Statement of Activities and Changes in Net Assets**  
**For the Year Ended June 30, 2017**

	<b>2017</b>
<b>Public Support</b>	
Contributions and Grants	\$ 5,125,833
Government Grants	10,958,635
Donated Food, Clothing and Services	2,908,431
Total Public Support	18,992,899
<b>Other Revenue</b>	
Program Income and Sales	2,325,363
Investment Income	506,590
Sale of Assets	564,979
Miscellaneous	239,191
Total Other Revenue	3,636,123
Total Support and Revenue	22,629,022
<b>Expenses</b>	
Program Services	20,625,589
Administrative Services:	
Management and General	38,603
Fund Development	609,438
Total Direct Expenses	21,273,630
<b>Excess of Revenues Over Direct Expenses</b>	1,355,392
Unfunded Pension Liability	298,776
Account Write Off	(148,750)
Depreciation	(736,367)
Total	769,051
<b>Change in Net Assets, Before Extraordinary Item</b>	769,051
Gain from Forgiveness of Debt (Note 9)	68,234
Total	837,285
<b>Change in Net Assets, After Extraordinary Item</b>	837,285
<b>Net Assets, Beginning of Year</b>	20,351,993
<b>Net Assets, End of Year</b>	\$ 21,189,278

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Consolidated Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2017**

	<b>2017</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Change in Net Assets	\$ 837,285
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:	
Depreciation	736,367
Gain from Forgiveness of Debt	(68,234)
Decrease (Increase) In:	
Accounts and Pledges Receivable	1,325,027
Other Current Assets	(137,718)
(Decrease) Increase In:	
Accounts Payable and Accrued Expenses	58,925
Net Cash Provided by (Used in) Operating Activities	\$ 2,751,652
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of Property and Equipment	\$ (3,428,445)
Net Loan Proceeds and (Repayments)	(85,584)
Net Investment Activity	(404,811)
Net Cash (Used in) Provided by Investing Activities	\$ (3,918,840)
Net Increase in Cash and Cash Equivalents	\$ (1,167,188)
Cash and Cash Equivalents, Beginning of Year	1,724,390
Cash and Cash Equivalents, End of Year	\$ 557,202
 <b>NON-CASH FINANCING ACTIVITY:</b>	
Forgiveness of Debt	\$ 68,234

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Notes to Consolidated Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

***Note 1 - Operations***

St. Vincent de Paul of Baltimore, Inc. (SVDP) is a charitable organization incorporated in the State of Maryland in 1867. Its purpose is to ensure that those impacted by poverty have the skills and resources to achieve their full potential.

The consolidated financial statements include the activity of St. Vincent de Paul of Baltimore, Inc., St. Vincent de Paul Enterprises, LLC and St. Vincent DePaul of Baltimore Foundation, Inc. which are collectively referred to herein as the Organization. All intercompany transactions have been eliminated.

St Vincent de Paul Enterprises LLC (Enterprises) is a fully owned, non-profit subsidiary organization organized under the laws of the State of Maryland doing business as Kidz Table. The corporation provides meals and food to schools, Head Start programs, daycare centers, and after school programs. Enterprises began operations in September 2010 and was converted to a non-profit, single member LLC in 2016 and St. Vincent de Paul of Baltimore, Inc. is the owner of the LLC

St Vincent de Paul of Baltimore Foundation, Inc. is a 501 c 3 supporting organization which was incorporated in the State of Maryland on May 5, 1995. The Foundation operates exclusively for charitable purposes to support the programs of St. Vincent De Paul of Baltimore, Inc. to insure that families in the local community have the resources and opportunity to care for themselves and build a better future. The foundation was designated a supporting organization by the Internal Revenue Service during the fiscal year ended June 30, 2017. The Foundation will operate under the guidelines of distributing 5% of it nets assets each year in support of the programs of St. Vincent De Paul of Baltimore, Inc.

***Note 2 - The Organization and Its Significant Accounting Policies***

***Basis of Accounting:***

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

In June 2009, The Financial Accounting Standards Board (FASB) issued FASB ASC105, *Generally Accepted Accounting Principles*, which established the FASB Accounting Standards Codification as the sole source of authoritative generally accepted accounting principles. Pursuant to the provisions of FASB ASC 105, SVDP has updated references to GAAP in its financial statements issued for the year ended September 30, 2010. The adoption of FASB ASC 105 did not impact SVDP's financial position or result of operations.

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation. These reclassifications had no effect on the previously reported change in net assets.

***Net Assets:***

SVDP is required to report information regarding its financial position and activities according to the following classes of net assets.

Unrestricted net assets are the net assets that are neither permanently restricted nor temporarily restricted by donor-imposed stipulation.

Temporarily restricted net assets result from contributions whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to these stipulations. Net assets may be temporarily restricted for various purposes, such as use in future periods or use for specific purposes.

***Cash and Cash Equivalents:***

Cash and cash equivalents consist of highly liquid investments with an initial maturity of three months or less. At times during the year, SVDP maintains cash balances at financial institutions in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.



**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Notes to Consolidated Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

***Note 2 - Organization and Significant Accounting Policies (Continued)***

***Estimates:***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues during the reporting period.

***Program Services:***

There are eighteen main programs as follows:

**Homelessness and Supportive Housing:**

Beans and Bread is a Homeless day resource program serving 300 people daily.

Home Connections is a scattered site, permanent supportive housing program serving up to 140 chronically homeless individuals.

Frederick Ozanam house provides permanent, subsidized housing for up to 4 formerly homeless families.

Cottage Avenue Community provides permanent subsidized housing for up to 16 formerly homeless families.

Sarah's Hope, Mount Street is a comprehensive 150 bed shelter serving homeless families in Baltimore City.

Sarah's Hope, Hannah More is a comprehensive 85 bed shelter serving homeless families in Baltimore County.

Front Door, Baltimore City is a rapid rehousing and shelter diversion program serving 115 families per year in Baltimore City.

Front Door, Baltimore County is a rapid rehousing program serving 85 families per year in Baltimore County.

**Child and Family Services:**

Camp St. Vincent is a summer day camp serving 250 homeless children from Baltimore City and County.

Head Start provides educational, health and social services for 728 pre-school children and their families.

**Workforce Development:**

Career Connections is a workforce development program embedded in homeless services programs that serves over 200 adults per year.

Next Course provides occupational skill training for careers in the food industry serving 100 adults per year.

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Notes to Consolidated Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

*Note 2 - Organization and Significant accounting Policies (Continued)*

**Client Assistance:**

Parish Conferences are volunteer-led programs providing help to people in need of assistance through a network of 40 parish-based groups.

**Healthy Food Access:**

Kidz Table is a social enterprise providing access to healthy food by serving 6,000 fresh, nutritious meals daily to children in Head Start, day care, pre-school, after school programs and summer camps throughout the greater Baltimore Region

**Donated Services and Materials:**

SVDP receives donated services from a variety of unpaid volunteers assisting SVDP in support of its programs.

SVDP receives donations of food provided by various individuals and parishes as well as the government surplus food distribution by its Food Share program. The approximate fair value of the donations is \$39,402 fiscal year ended June 30, 2017 and is included in contributions and expenses in the Statement of Activities.

SVDP receives donations of clothing and excess clothing which is sold for income to support program expenses and other items.

**Income Tax Status:**

SVDP is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code.

St. Vincent DePaul Enterprises, Inc. was reclassified to single member LLC that is wholly owned by St. Vincent de Paul of Baltimore, Inc.

St. Vincent DePaul of Baltimore Foundation, Inc. was reclassified to from a private foundation to a supporting organization to St. Vincent DePaul of Baltimore, Inc.

**Uncertain Tax Positions**

In June 2006, The Financial Accounting Standards Board (FASB) released ASC 740-10, Income Taxes, that provides guidance for reporting uncertainty in come taxes. For the year ended June 30, 2017, SVDP has considered FASB ASC 740-10 and determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

**Functional Allocation of Expenses**

The cost of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Notes to Consolidated Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**Note 3 - Pledges Receivable**

The Pledges Receivable in the amount of \$989,798 are detailed below. The Pledges receivable are \$992,798 less a future value discount of \$3,000.

	2017
Pledges Receivable	\$ 992,798
Due within One Year	892,798
Due within Two to Six Years	\$ 100,000
Discount	3,000
	<hr/>
Net Long-Term Receivable	\$ 97,000
	<hr/> <hr/>

**Note 4 - Investments**

**St. Vincent De Paul of Baltimore, Inc.**

Investments are stated at fair value and are as follows:

	Fair Market Value
T. Rowe Price	
Equity Index 500	\$ 62,433
Growth Stock	61,648
Media & Telecommunications	15,650
	<hr/>
	\$ 139,731
	<hr/> <hr/>

The investment funds stated above are assets held for the Section 457 retirement plans approved by the Board of Directors in the fiscal year September 30, 2012.

**St. Vincent De Paul of Baltimore Foundation, Inc.**

Equities	\$ 2,534,570
Reserves	163,455
Fixed Income	1,200,250
Total	<hr/> <hr/>
	\$ 3,898,275
	<hr/> <hr/>

**Note 5 - Fair Value Measurements**

In accordance with Statement of Financial Accounting Standards (SFAS) No. 157, SVDP has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

**Level 1.** These are investments where values are based on unadjusted quoted prices for identical assets in an active market SVDP has the ability to access.

**Level 2.** These are investments where values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** These are investments where values are based on quoted prices or valuation techniques that require that are both unobservable and significant to the overall fair value measurement. These inputs reflect assumptions of management about assumptions market participants would use in pricing the investments. These investments include non-readily marketable securities that do not have an active market.

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Notes to Consolidated Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**Note 5 - Fair Value Measurements (continued)**

Financial assets recorded on the Statement of Financial Position are categorized based on the inputs to the valuation technique as follows for the year ended June 30 2017:

Asset Category	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments	<u>\$ 4,038,006</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,038,006</u>

**Note 6 - Social Enterprise**

During the fiscal year ended September 30, 2010, SVDP formed and capitalized a social enterprise, St. Vincent de Paul Enterprises, Inc. to provide catering services, training and employment opportunities. St. Vincent de Paul of Baltimore, Inc. was the sole stockholder of the corporation. During the fiscal year ended June 30, 2016, the corporation was converted to a single member LLC with St. Vincent de Paul, Inc. as the sole member.

St. Vincent De Paul Enterprises, LLC and St. Vincent De Paul of Baltimore, Inc. closed all of the balances as of June 30, 2016 to the net assets of each of the corresponding entity.

**Note 7 - Buildings and Equipment**

Buildings and equipment are recorded at acquisition cost or, if donated, at fair value at the date of donation. The land has been acquired through a series of donations. It is not practical to ascertain the fair value of the land at the date of donation and therefore no value has been assigned to the land. Depreciation is calculated on the straight-line method over estimated useful lives ranging from 5 to 40 years.

Fixed Assets	<u>2015</u> \$ 23,795,538
Accumulated Depreciation	<u>(6,710,631)</u>
	<u>\$ 17,084,907</u>

Certain property and equipment used in the Programs were acquired partially using funds from U.S. Department of Housing and Urban Development (HUD), State of Maryland and Baltimore City grants. These grants require that the facilities be used for shelters or transitional housing for homeless individuals for a minimum of 15 to 20 years or the property may revert to granting Agency. The loans will be converted to a grant if all the terms of the loan are met.

**Note 8 - Retirement Plans**

On October 1, 1999, SVDP established an independent 403(b) Retirement Plan. The Plan is available to employees as defined in the employer's employee handbook, who are at least 21 years old. Contributions by the employees are voluntary. SVDP may elect to provide a year-end match that is determined annually by the Board of Directors. In addition, SVDP maintains a 3% Non-Discretionary plan to which it contributes for all eligible employees. The contributions for the fiscal year ended June 30, 2017 were \$258,720. During the year ended September 30, 2012, SVDP approved a supplemental Section 403(b) and Section 457B and 457F plans for contributions for certain personnel. The contributions for the year 2017 for all plans are included in the figures above.

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Notes to Consolidated Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**Note 9 - Loans Payable**

Notes payable consist of the following:

	2017
HUD/SHP	\$ 272,925
State of Maryland	1,500,000
	\$ 1,772,925

In October, 1999, SVDP received a grant from the City of Baltimore, as a pass-through from HUD (HUD/SHP), to be used for the rehabilitation of Cottage Avenue properties to be used as transitional housing facilities for homeless people of Baltimore City. The amount of the grant is not to exceed \$739,180 and at September 30, 2002, SVDP had received \$682,329 of funds. The entire amount of the grant proceeds received must be paid back to the City if the project ceases to be used as supportive housing for homeless persons within ten (10) years from the date of initial occupancy. If the project is used as supportive housing for more than 10 years, then the amount required to be repaid is reduced by 10% for each year in excess of the ten years the project is used as supportive housing. No interest accrues in the event of default. Also, in the event of default, property will be conveyed to another nonprofit organization. During the fiscal year 2017, \$68,234 of the debt was forgiven in the fiscal year.

In July 2014, SVDP received a grant from the State of Maryland Department of Housing and Community Development to be used for the rehabilitation costs of a shelter, transitional or other housing facility for homeless households located at 1114 N. Mount Street known as Sarah's Hope properties. The amount of the grant was \$1,500,000. The entire amount of the grant proceeds received must be paid back to the State if the project ceases to be used as housing for homeless households within fifteen (15) years from the date of initial occupancy or the recipient refinances, sells, assigns, transfers or conveys the Property or the Project. The Recipient has executed a leasehold Deed of Trust, Security Agreement, and Notice of Repayment securing the Grant which shall constitute a valid first lien on the real property on which the project is located.

**Note 10 - Notes Payable and Line of Credit**

SVDP has established a \$500,000 line of credit with the M & T Bank at the Overnight LIBOR plus 3% with an all-in rate of 3.25%. The line was established in April 2011, with an on demand maturity. During the fiscal years ended June 30, 2016 and September 30, 2015, there were no advances under a line of credit.

SVDP established a \$1,000,000 revolver line with M & T Bank at the Overnight LIBOR plus 2%. The line was established to bridge the collection of pledges related to the collection of pledges for Sarah's Hope, Mount Street Shelter, with an expiration date of December 31, 2017. The agreement requires interest only through December 31, 2017. Advances and pay downs can be made against the revolver through December 31, 2017; after which no additional draws can be taken and the outstanding principal at that time will be termed out. Principal payments made after December 31, 2017 will be a permanent reduction of the revolver. Outstanding principal and interest is due in its entirety upon maturity at December 31, 2021. Marketable securities of St. Vincent De Paul Foundation, Inc. in the amount of \$1,333,333 are pledged as security. The securities are held in a custody account at M & T Bank. At June 30, 2017, the outstanding balance on the loan is \$203,283.

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Notes to Consolidated Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

**Note 10 - Notes Payable and Line of Credit**

SVDP Enterprises, Inc. established a \$100,000 line of credit with the M & T Bank at Overnight LIBOR plus 3% with an all-in rate of 3.19. The line was established in August 2011. During the year ended June 30, 2016 and September 30, 2015, additional advances were made under the line of credit with the entire balance being repaid by the end of the fiscal year.

Notes payable consist of the following:

SVDP- Revolver Line	<u><u>\$ 203,283</u></u>
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**Note 11 - Pension Plan**

SVDP has received the Pension Plan assets for their employees due to the separation from the Archdiocese of Baltimore Lay Employees Pension Plan. The plan had been closed to contribution since June 30, 2011 and no contributions have been made since that date. SVDP has adopted the recognition provisions of FASB ASC 715-20, *Compensation-Retirement Benefits-Defined Benefit Plans-General-Disclosure*, which requires that the funded status of defined benefit pension plans be fully recognized in the Statement of Financial Position. The annual measurement date is June 30 for the pension benefits.

	<u>2017</u>
Projected Benefit Obligation, End of Year	\$ 2,441,519
Fair Value of Assets, End of Year	1,965,145
Unfunded Status	<u><u>\$ 476,374</u></u>

The underlying rates used to determine the net periodic benefit cost were as follows:

Weighted average discount rate	4.00%
Expected long term rate of return	7.00%

The expected future benefit payments the plan expects to pay for each of the next five fiscal years and in aggregate for the

Next Fiscal Year	\$ 89,092
Fiscal Year +2	90,835
Fiscal Year +3	90,225
Fiscal Year +4	94,946
Fiscal Year +5	95,146
For Fiscal Year +6 through +10	589,237
	<u><u>\$ 1,049,481</u></u>

The trustees have allocated day-to-day investment decisions to a professional investment manager who has sole discretion in making investments on behalf of the of the Trust Fund. The Trustees have provided general investment guidelines to the investment manager that investments may include securities for which there is an active market and which are obtainable by a licensed broker-dealer "over the counter" or on a recognized exchange and any other lawful investments which are approved by the Trustees.

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Notes to Consolidated Financial Statements**  
**For the Fiscal Year Ended June 30, 2017**

***Note 12 - Temporarily Restricted Net Assets and Satisfaction of Purpose Restrictions***

Temporarily restricted net assets are restricted for the following purposes:

	2017
Fiscal Year Operating Activities	\$ 188,050
Capital Projects	50,000
SVDP Foundation Grants	13,680
Total	\$ 251,730

Satisfaction of purpose restrictions:

During 2017, donor restricted designations were met and funds released for the following purposes:

	2017
Fiscal Year Operating Activities	\$ 409,627
Capital Projects	4,410,449
SVDP Foundation Grants	203,000
Total	\$ 5,023,076

***Note 13 - Operating Leases***

SVDP entered into a lease with 2305 North Charles, LLC beginning July 1, 2008 for 3,260 square feet of office space. The original term of the lease was four years ending June 30, 2012 which was extended until June 30, 2016. A lease extension was signed in December 2015 extending the lease until June 30, 2019. The base rent for future periods is as follows:

June 30, 2018	\$ 78,000
June 30, 2019	80,400
Total	\$ 158,400

SVDP entered into a lease with FRP Hollander95, LLC beginning July 1, 2012 for 10,852 square feet of office and warehouse facility space. The original term of the lease is ten years ending June 30, 2022. The base rent for future periods is as follows:

June 30, 2018	\$ 60,900
June 30, 2019	62,574
June 30, 2020	64,295
June 30, 2021 to 2022	203,690
Total	\$ 391,459

St. Vincent De Paul Enterprises, Inc. entered into leases for delivery trucks with Ryder Truck Rentals for five trucks. The base rent for future periods is as follows:

June 30, 2018	\$ 93,300
June 30, 2019	93,300
Total	\$ 186,600

***Note 14 - Subsequent Events***

In preparing these financial statements, SVDP has evaluated events and transactions for potential recognition or disclosure through February 27, 2018, the date the financial statements were issued

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors

St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations

Baltimore, Maryland

We have audited the consolidated financial statements of St. Vincent De Paul of Baltimore, Inc. and Supporting Organizations as of and for the fiscal year June 30, 2017, and our report thereon dated April 30, 2018, which expressed an unqualified opinion on those financial statements appears on page 1. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying other financial information on pages 15-17 is presented for the purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and related 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 audit of the information 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, the information is fairly states in all material respects in relation to the financial statements as a whole.

April 30, 2018



**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Consolidating Statement of Financial Position**  
**June 30, 2017**

	SVDP	SVDP Enterprise	SVDP Foundation	Eliminating	2017
<b>Assets</b>					
Cash and Cash Equivalents	\$ 220,346	\$ 336,856	\$ -	\$ -	\$ 557,202
Accounts Receivable	1,422,925	237,523	-	(116,758)	1,543,690
Pledges Receivable (Note 3)	989,798	-	-	-	989,798
Investments (Note 4 and 5)	139,731	-	3,898,275	-	4,038,006
Security Deposit and Prepaid Expenses	109,723	500	-	-	110,223
Inventory	-	55,165	-	-	55,165
Buildings and Equipment, Net of Accumulated Depreciation (Notes 7 and 9)	17,070,401	14,506	-	-	17,084,907
<b>Total Assets</b>	<b>\$ 19,952,924</b>	<b>\$ 644,550</b>	<b>\$ 3,898,275</b>	<b>\$ (116,758)</b>	<b>\$ 24,378,991</b>
<b>Liabilities and Net Assets</b>					
Accounts Payable and Accrued Expenses	\$ 718,701	\$ 132,549	\$ 2,639	\$ (116,758)	\$ 737,131
Accrued Pension Liability (Note 11)	476,374	-	-	-	476,374
Notes Payable (Note 10)	203,283	-	-	-	203,283
Loans Payable (Note 9)	1,772,925	-	-	-	1,772,925
<b>Total Liabilities</b>	<b>\$ 3,171,283</b>	<b>\$ 132,549</b>	<b>\$ 2,639</b>	<b>\$ (116,758)</b>	<b>\$ 3,189,713</b>
<b>Commitments (Notes 10, 11 and 13)</b>					
<b>Net Assets and Owner's Equity</b>					
Unrestricted	\$ 16,529,911	\$ 512,001	\$ 3,895,636	\$ -	\$ 20,937,548
Temporarily Restricted (Note 12)	251,730	-	-	-	251,730
<b>Total Net Assets</b>	<b>\$ 16,781,641</b>	<b>\$ 512,001</b>	<b>\$ 3,895,636</b>	<b>\$ -</b>	<b>\$ 21,189,278</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 19,952,924</b>	<b>\$ 644,550</b>	<b>\$ 3,898,275</b>	<b>\$ (116,758)</b>	<b>\$ 24,378,991</b>

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Consolidating Statement of Activities and Changes in Net Assets**  
**For the Fiscal Year Ended June 30, 2017**

	SVDP	SVDP Enterprise	SVDP Foundation	Eliminating	Total
<b>Public Support</b>					
Contributions and Grants	\$ 3,936,263	\$ -	\$ -	\$ (226,424)	\$ 3,709,839
Government Grants	10,958,635	-	-	-	10,958,635
Donated Food, Clothing and Services	2,908,431	-	-	-	2,908,431
Total Public Support	<u>\$ 17,803,329</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (226,424)</u>	<u>\$ 17,576,905</u>
<b>Other Revenue</b>					
Program Income and Sales	\$ 368,337	\$ 3,381,840	\$ -	\$ (1,424,814)	\$ 2,325,363
Investment Income	658	-	505,932	-	506,590
Sale of Assets	564,979	-	-	-	564,979
Miscellaneous	358,091	-	-	(118,900)	239,191
Net Assets Released from Restriction (Note 12)	5,023,076	-	-	-	5,023,076
Total Other Revenue	<u>\$ 6,315,141</u>	<u>\$ 3,381,840</u>	<u>\$ 505,932</u>	<u>\$ (1,543,714)</u>	<u>\$ 8,659,199</u>
Total Support and Revenue	<u>\$ 24,118,470</u>	<u>\$ 3,381,840</u>	<u>\$ 505,932</u>	<u>\$ (1,770,138)</u>	<u>\$ 26,236,104</u>
<b>Expenses</b>					
Program Services	\$ 18,930,549	\$ 3,238,754	\$ 226,424	\$ (1,770,138)	\$ 20,625,589
Administrative Services:					
Management and General	24,175	-	14,428	-	38,603
Fund Development	609,438	-	-	-	609,438
Total Direct Expenses	<u>\$ 19,564,162</u>	<u>\$ 3,238,754</u>	<u>\$ 240,852</u>	<u>\$ (1,770,138)</u>	<u>\$ 21,273,630</u>
<b>Excess of Revenues Over Direct Expenses</b>	<u>\$ 4,554,308</u>	<u>\$ 143,086</u>	<u>\$ 265,080</u>	<u>\$ -</u>	<u>\$ 4,962,474</u>
Unfunded Pension Liability	298,776	-	-	-	298,776
Account Write Off	(148,750)	-	-	-	(148,750)
Depreciation	(736,367)	-	-	-	(736,367)
<b>Changes in Unrestricted Net Assets</b>	<u>\$ 3,967,967</u>	<u>\$ 143,086</u>	<u>\$ 265,080</u>	<u>\$ -</u>	<u>\$ 4,376,133</u>
<b>Changes in Temporarily Restricted Net Assets</b>					
Contributions and Other	1,415,994	-	-	-	1,415,994
Net Assets Released from Restrictions	(5,023,076)	-	-	-	(5,023,076)
<b>Change in Net Assets, Before Extraordinary Item</b>	<u>\$ 360,885</u>	<u>\$ 143,086</u>	<u>\$ 265,080</u>	<u>\$ -</u>	<u>\$ 769,051</u>
Gain from Forgiveness of Debt (Note 9)	68,234	-	-	-	68,234
<b>Change in Net Assets, After Extraordinary Item</b>	<u>\$ 429,119</u>	<u>\$ 143,086</u>	<u>\$ 265,080</u>	<u>\$ -</u>	<u>\$ 837,285</u>
<b>Net Assets, Beginning of Year</b>	<u>16,352,522</u>	<u>368,915</u>	<u>3,630,556</u>	<u>-</u>	<u>20,351,993</u>
<b>Net Assets, End of Year</b>	<u><u>\$ 16,781,641</u></u>	<u><u>\$ 512,001</u></u>	<u><u>\$ 3,895,636</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 21,189,278</u></u>

**St. Vincent de Paul of Baltimore, Inc. and Supporting Organizations**  
**Schedule of Functional Expense**  
**For the Year Ended June 30, 2017**

**St. Vincent DePaul Baltimore, Inc.**

	<b>Program Services</b>							<b>SVDP Enterprise</b>	<b>SVDP Foundation</b>	<b>Total</b>
	<b>Homeless Services &amp; Supportive Housing</b>	<b>Child and Family Services</b>	<b>Workforce Development</b>	<b>Client Assistance</b>	<b>Management and General</b>	<b>Fund Development</b>	<b>Total</b>			
Expenses										
Salaries	2,643,291	4,380,660	269,976	37,366	996,375	266,451	8,594,119	927,473	-	9,521,592
Employee Benefits	582,316	1,038,419	72,874	5,435	293,030	66,407	2,058,481	225,059	-	2,283,540
Contract Services	378,826	1,186,887	8,493	262,942	174,026	58,637	2,069,811	101,162	14,428	2,185,401
Cost of Sales	-	-	-	-	-	-	-	1,507,654	-	1,507,654
Supplies	129,802	123,445	22,740	1,440	14,925	15,587	307,939	55,705	-	363,644
Telephone	37,220	33,510	6,609	1,771	6,241	3,373	88,724	10,293	-	99,017
Printing and Postage	18,966	36,955	4,543	2,425	22,130	80,768	165,787	3,378	-	169,165
Occupancy	315,669	536,351	94,721	62	77,522	17,729	1,042,054	145,117	-	1,187,171
Insurance	32,798	53,967	3,364	595	9,031	2,010	101,765	86,845	-	188,610
Transportation	21,674	113,141	6,726	348	2,109	651	144,649	163,396	-	308,045
Conference Costs	35,983	114,503	2,221	22,667	25,656	7,568	208,598	-	-	208,598
Client Assistance	1,305,611	-	-	389,726	-	-	1,695,337	-	226,424	1,921,761
Miscellaneous	5,269	52,199	1,096	29,574	60,278	30,051	178,467	12,672	-	191,139
<b>Total</b>	<b>5,507,425</b>	<b>7,670,037</b>	<b>493,363</b>	<b>754,351</b>	<b>1,681,323</b>	<b>549,232</b>	<b>16,655,731</b>	<b>3,238,754</b>	<b>240,852</b>	<b>20,135,337</b>
Indirect Costs	540,542	959,892	65,861	41,919	(1,668,420)	60,206	-	-	-	-
<b>Total Program Expenses</b>	<b>6,047,967</b>	<b>8,629,929</b>	<b>559,224</b>	<b>796,270</b>	<b>12,903</b>	<b>609,438</b>	<b>16,655,731</b>	<b>3,238,754</b>	<b>240,852</b>	<b>20,135,337</b>
Donated Food and Services	617,985	2,278,170	1,004	-	11,272	-	2,908,431	-	-	2,908,431
<b>Total Direct Expenses</b>	<b>6,665,952</b>	<b>10,908,099</b>	<b>560,228</b>	<b>796,270</b>	<b>24,175</b>	<b>609,438</b>	<b>19,564,162</b>	<b>3,238,754</b>	<b>240,852</b>	<b>23,043,768</b>