

**COMMUNITY SYNAGOGUE
OF RYE**

**Financial Statements
and
Supplementary Information
for year ended
June 30, 2023
(With Summarized Comparative
Information for 2022)**

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Independent Auditor's Report

To the Board of Trustees
Community Synagogue of Rye

Opinion

We have audited the accompanying financial statements of the Community Synagogue of Rye (the "Synagogue"), which comprise the statement of financial position as of June 30, 2023 and the related statements of activities and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Synagogue as of June 30, 2023 and the results of its activities and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Synagogue and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Synagogue's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Synagogue's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Synagogue's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Synagogue's 2022 fiscal year financial statements and in our report dated January 9, 2023, we expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Condon Owen McHenry & Donnelly LLP

January 10, 2024

COMMUNITY SYNAGOGUE OF RYE

Statement of Financial Position

June 30, 2023

(with Summarized Comparative Information for June 30, 2022)

Assets

	2023					2022
	Without Donor Restrictions			With Donor Restrictions		Total
	Operating Fund	Board Designated Fund	Total	Restrictions	Total	
Cash and cash equivalents	\$ 97,587	\$ 385,830	\$ 483,417	\$ 761,015	\$ 1,244,432	\$ 2,721,846
Investments	<u>3,363,834</u>	<u>1,772,057</u>	<u>5,135,891</u>	<u>419,905</u>	<u>5,555,796</u>	<u>3,022,287</u>
Total cash, cash equivalents and investments	3,461,421	2,157,887	5,619,308	1,180,920	6,800,228	5,744,133
Accounts receivable	545,949	-	545,949	-	545,949	507,832
Employee retention credits receivable	-	-	-	-	-	152,935
Promises to give, net	-	-	-	18,364	18,364	29,994
Prepaid expenses and other assets	51,482	-	51,482	-	51,482	22,993
Cemetery plots	94,500	-	94,500	-	94,500	94,500
Land, building and equipment, net	<u>8,934,406</u>	<u>-</u>	<u>8,934,406</u>	<u>-</u>	<u>8,934,406</u>	<u>9,225,802</u>
Total assets	<u>\$13,087,758</u>	<u>\$ 2,157,887</u>	<u>\$15,245,645</u>	<u>\$ 1,199,284</u>	<u>\$16,444,929</u>	<u>\$ 15,778,189</u>

Liabilities and Net Assets

Liabilities

Accounts payable	\$ 164,868	\$ -	\$ 164,868	\$ -	\$ 164,868	\$ 86,971
Prepaid dues and rentals	98,622	-	98,622	-	98,622	23,870
Deferred revenue	1,625,492	-	1,625,492	-	1,625,492	1,336,655
Long-term debt, net	<u>2,029,385</u>	<u>-</u>	<u>2,029,385</u>	<u>-</u>	<u>2,029,385</u>	<u>2,074,335</u>
Total liabilities	3,918,367	-	3,918,367	-	3,918,367	3,521,831
Net assets	<u>9,169,391</u>	<u>2,157,887</u>	<u>11,327,278</u>	<u>1,199,284</u>	<u>12,526,562</u>	<u>12,256,358</u>
Total liabilities and net assets	<u>\$13,087,758</u>	<u>\$ 2,157,887</u>	<u>\$15,245,645</u>	<u>\$ 1,199,284</u>	<u>\$16,444,929</u>	<u>\$15,778,189</u>

See notes to financial statements.

COMMUNITY SYNAGOGUE OF RYE

Statement of Activities
Year Ended June 30, 2023
(with Summarized Comparative Information for June 30, 2022)

	2023			2022		
	Without Donor Restrictions			With Donor Restrictions	Total	Total
	Operating Fund	Board Designated Fund	Total			
Support						
Members dues, net	\$ 1,281,806	\$ -	\$ 1,281,806	\$ -	\$ 1,281,806	\$ 1,349,338
Religious school tuition, net	325,172	-	325,172	-	325,172	383,433
Nursery school tuition, net	1,501,170	-	1,501,170	-	1,501,170	1,518,281
High Holy Day	6,325	-	6,325	-	6,325	3,618
Building fund, net	-	8,690	8,690	-	8,690	(855)
Fundraising	120,594	-	120,594	-	120,594	-
Contributions	278,128	-	278,128	237,953	516,081	473,303
Government stimulus programs	226,050	-	226,050	-	226,050	530,958
Memorials	34,052	-	34,052	-	34,052	28,381
Total support	3,773,297	8,690	3,781,987	237,953	4,019,940	4,286,457
Revenue						
Interest and dividends, net	12,367	57,543	69,910	10,632	80,542	66,838
Other	27,422	-	27,422	-	27,422	20,752
Net assets released from restrictions	263,876	-	263,876	(263,876)	-	-
Total support and revenue	4,076,962	66,233	4,143,195	(15,291)	4,127,904	4,374,047
Expenses						
Program services						
Pulpit	790,600	-	790,600	-	790,600	748,495
Building and maintenance	175,530	-	175,530	-	175,530	127,720
Religious school	529,254	-	529,254	-	529,254	486,275
Nursery school	1,265,574	-	1,265,574	-	1,265,574	1,192,184
Restricted and endowment fund	226,570	-	226,570	-	226,570	124,001
Other programs	63,229	-	63,229	-	63,229	54,248
Total program services	3,050,757	-	3,050,757	-	3,050,757	2,732,923
Supporting activities						
General services and administration	553,214	-	553,214	-	553,214	550,486
Security services	105,221	-	105,221	-	105,221	89,471
General fund	77,582	-	77,582	-	77,582	19,547
Total supporting activities	736,017	-	736,017	-	736,017	659,504
Total expenses	3,786,774	-	3,786,774	-	3,786,774	3,392,427
Excess (deficiency) in net assets before other	290,188	66,233	356,421	(15,291)	341,130	981,620
Other						
Net realized and unrealized investment gain (loss)	128,021	181,464	309,485	49,213	358,698	(424,889)
Depreciation	(315,796)	-	(315,796)	-	(315,796)	(314,111)
Interest and amortization	(113,828)	-	(113,828)	-	(113,828)	(105,517)
Increase (decrease) in net assets	(11,415)	247,697	236,282	33,922	270,204	137,103
Net assets, beginning of year	9,180,806	1,910,190	11,090,996	1,165,362	12,256,358	12,119,255
Net assets, end of year	\$ 9,169,391	\$ 2,157,887	\$ 11,327,278	\$ 1,199,284	\$ 12,526,562	\$ 12,256,358

See notes to financial statements.

COMMUNITY SYNAGOGUE OF RYE

Statement of Cash Flows

	Year Ended	
	June 30	
	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Increase in net assets	\$ 270,204	\$ 137,103
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	315,796	314,111
Amortization of mortgage costs	10,933	10,933
Net realized and unrealized investment (gain) loss	(358,698)	424,889
(Increase) decrease in assets		
Accounts receivable	(38,117)	(167,453)
Employee retention credits receivable	152,935	(152,935)
Promises to give, net	11,630	31,900
Prepaid expenses and other assets	(28,489)	(14,243)
Increase (decrease) in liabilities		
Accounts payable	77,897	51,937
Prepaid dues and rentals	74,752	17,630
Deferred revenue	288,837	(59,018)
Forgiveness of PPP term loan	-	(378,023)
Net cash provided by operating activities	<u>777,680</u>	<u>216,831</u>
Cash flows from investing activities		
Purchase of investments	(3,227,811)	(15,476)
Proceeds from the sale of investments	1,053,000	200,623
Purchases of land, building and equipment	<u>(24,400)</u>	<u>(102,193)</u>
Net cash provided by (used in) investing activities	<u>(2,199,211)</u>	<u>82,954</u>
Cash flows (used in) financing activities		
Repayment of long-term debt	<u>(55,883)</u>	<u>(53,261)</u>
Increase (decrease) in cash and cash equivalents	(1,477,414)	246,524
Cash and cash equivalents, beginning of year	<u>2,721,846</u>	<u>2,475,322</u>
Cash and cash equivalents, end of year	<u>\$1,244,432</u>	<u>\$2,721,846</u>
Supplemental disclosure:		
Cash paid for interest	<u>\$ 102,895</u>	<u>\$ 105,517</u>

See notes to financial statements.

COMMUNITY SYNAGOGUE OF RYE**Notes to Financial Statements
June 30, 2023****Note 1 – Nature of organization and summary of significant accounting policies**Nature of organization

Community Synagogue of Rye (the “Synagogue”) is a nonprofit organization dedicated to serving spiritual and educational needs of the reform Jews in the Sound Shore area of Westchester County. The Synagogue’s operations are supported primarily through membership dues, contributions, and tuition.

Basis of presentation

The Synagogue reports information regarding its financial position and activities according to two classes of net assets:

Without donor restrictionsOperating fund

This fund is available for the general activities of the Synagogue.

Board designated fund

The fund will be used at the discretion of the Board of Trustees (see note 9).

With donor restrictionsRestricted and endowment funds

These funds consist of contributions that were donated for a specific project or use. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose restrictions.

Tax status

The Synagogue is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Accordingly, actual results could differ from these estimates.

COMMUNITY SYNAGOGUE OF RYE**Notes to Financial Statements (continued)
June 30, 2023****Note 1 – Nature of organization and summary of significant accounting policies (continued)**Concentrations of credit risk

The Synagogue's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash and cash equivalents, investments and receivables. The Synagogue places its cash and cash equivalents with what it believes to be quality financial institutions. At times, the Synagogue's bank balances exceed the FDIC insurance limit; however, the Synagogue has not experienced any losses in such bank accounts to date. Investments are exposed to various risks such as interest rate, market volatility, liquidity and credit risk. Due to the level of uncertainty related to the foregoing risks, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position as of June 30, 2023. Management routinely assesses the financial condition of the financial institutions in which they hold its cash and investment portfolio. The Synagogue's receivables consist principally of amounts due from its members and contributors. The Synagogue believes no significant concentrations of credit risk exist with respect to its cash and cash equivalents, investments and receivables.

Cash and cash equivalents

The Synagogue considers all monies in banks and highly liquid investments with original maturities of less than three months to be cash equivalents. The carrying value of cash equivalents approximates fair value because of the short maturities of those financial instruments.

Investments

Investments are recorded at fair value, based on publicly quoted market prices. Purchases of marketable securities are initially recorded at cost; donated securities, if any, are recorded at fair value on the date of the contribution.

Allowance for doubtful accounts

As of June 30, 2023 and June 30, 2022, the Synagogue has an allowance for doubtful accounts of \$35,000 for accounts receivable and promises to give that may not be collectible. Such estimate is based on management's experience, the aging of the receivables and promises to give, subsequent receipts and current economic conditions.

Land, building and equipment

The Synagogue capitalizes, at cost, all expenditures for land, buildings, and equipment in excess of \$1,000 with a useful life greater than one year. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, which range from 5 to 40 years.

COMMUNITY SYNAGOGUE OF RYE**Notes to Financial Statements (continued)
June 30, 2023****Note 1 – Nature of organization and summary of significant accounting policies (continued)**Deferred mortgage costs

Costs incurred in connection with obtaining the construction loan/permanent loan (see note 7) have been deferred and are being amortized over the initial term of the loan. Unamortized mortgage costs are reflected net with the outstanding balance of the long-term debt, in accordance with applicable accounting standards.

Deferred revenue and revenue recognition

Deferred revenue represents prepaid member dues, nursery school tuition and camp fees billed or received prior to the June 30th year-end. Nursery school begins in September, and the revenue is recorded when earned. The Synagogue runs a camp during June, July and August; camp revenue is recognized as it is earned.

Donated services

Donated services are recognized as contributions in accordance with accounting principles generally accepted in the United States of America, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Synagogue. Board members and other individual volunteers also provided fundraising and transitional services throughout the year that are not recognized as contributions in the financial statements since they did not meet the recognition criteria.

Contributions

In accordance with accounting principles generally accepted in the United States of America, contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence or nature of any donor restrictions. Net assets with temporary donor restrictions represent expendable contributions, which are restricted by the donor or pertain to future periods. When the restrictions are met, net assets with temporary donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Comparative financial information

The statements of financial position and activities in the accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset classification. Therefore, to compare fiscal 2023 to fiscal 2022 at the net asset classification level, the June 30, 2023 financial statements should be read in conjunction with the 2022 statements of financial position and activities from which the comparative information has been derived.

COMMUNITY SYNAGOGUE OF RYE

Notes to Financial Statements (continued)

June 30, 2023

Note 1 – Nature of organization and summary of significant accounting policies (continued)

Subsequent events

The Synagogue has evaluated subsequent events and transactions for potential recognition or disclosure through January 10, 2024, which is the date the financial statements were available to be issued.

Note 2 – Liquidity and availability of financial assets

The Synagogue's assets include donor-restricted funds and board-designated funds. As part of the Synagogue's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. To help manage unanticipated liquidity needs, the Synagogue has a committed line of credit in the amount of \$500,000, which it could draw upon if necessary (see note 6). Additionally, the Synagogue's Board-designated assets totaled \$2,157,887 and \$1,910,190, respectively, as of June 30, 2023 and June 30, 2022. Although the Synagogue does not intend to spend from its Board-designated funds other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its Board-designated funds could be made available if necessary.

The following is a summary of the Synagogue's financial assets available to meet cash needs for general expenditures within one year of the statement of financial position date:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 1,244,432	\$ 2,721,846
Investments	5,555,796	3,022,287
Accounts receivable, net	545,949	507,832
Employee retention tax credits receivable	-	152,935
Current portion of promises to give, net	<u>18,364</u>	<u>29,994</u>
Sub-total	7,364,541	6,434,894
Less: net assets with donor restrictions	<u>(1,199,284)</u>	<u>(1,165,362)</u>
Total	<u>\$ 6,165,257</u>	<u>\$ 5,269,532</u>

Note 3 – Investments

At June 30, 2023 and June 30, 2022, respectively, investments are stated at fair value and consist of the following:

	<u>2023</u>		<u>2022</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Corporate bonds	\$ -	\$ -	\$ 49,773	\$ 49,038
Fixed income	2,337,162	2,320,739	98,555	96,034
Exchange traded funds	<u>3,218,634</u>	<u>3,243,936</u>	<u>2,873,959</u>	<u>3,243,936</u>
Total	<u>\$ 5,555,796</u>	<u>\$ 5,564,675</u>	<u>\$ 3,022,287</u>	<u>\$ 3,389,008</u>

COMMUNITY SYNAGOGUE OF RYE

Notes to Financial Statements (continued)
June 30, 2023

Note 3 – Investments (continued)

Fair value measurement

Fair value refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Accounting principles generally accepted in the United States of America established a fair value hierarchy giving the highest priority to quoted prices in active markets (Level 1), the next priority (Level 2) to observable inputs other than Level 1 prices, such as quoted prices of similar assets, and the lowest priority to unobservable data (Level 3). Accounting principles generally accepted in the United States of America require fair value measurements to be separately disclosed by level within the fair value hierarchy. At June 30, 2023, the Synagogue's investments have all been classified in the highest level of hierarchy (Level 1) their quoted prices are in active markets for identical assets that the Synagogue can access at the measurement date.

Note 4 – Promises to give

At June 30, 2023 and June 30, 2022, unconditional promises to give consists of the following:

	2023	2022
Receivable within one year at date of promise	\$ 53,364	\$ 64,994
Allowance for doubtful accounts	(35,000)	(35,000)
Net unconditional promise to give	\$ 18,364	\$ 29,994

Note 5 – Land, building and equipment

At June 30, 2023 and June 30, 2022, land, building and equipment consisted of the following:

	2023	2022
Land	\$ 62,580	\$ 62,580
Building and improvements	12,376,288	12,376,288
Furniture, fixtures and equipment	666,427	642,027
Total	13,105,295	13,080,895
Less: accumulated depreciation	4,170,889	3,855,093
Net	\$ 8,934,406	\$ 9,225,802

Note 6 – Line of credit

The Synagogue has a \$500,000 revolving line of credit with a bank that expires June 10, 2025, which bears interest at the prime rate plus .25%. At June 30, 2023 there was no outstanding borrowings against this line of credit.

COMMUNITY SYNAGOGUE OF RYE
Notes to Financial Statements (continued)
June 30, 2023

Note 7 – Construction loan/permanent loan

On May 22, 2018, in order to fund renovations at its facilities, the Synagogue entered into a Loan Agreement (the “Permanent Loan”) totaling \$2,675,308. Under the terms of the Permanent Loan, the Synagogue is required to make monthly payments of \$13,321 applicable first to a fixed interest rate of 4.75% and the balance as a reduction of principal based on a twenty-five year amortization period with a final balloon payment of all unpaid principal and accrued interest thereon due on the maturity date of June 1, 2029. Borrowings under the Loans shall be secured by a Construction Loan Mortgage and Security Agreement (the “Mortgage”) covering the Synagogue’s real property and certain of the Synagogue’s other assets. The Mortgage is subject to certain covenants, including a debt service coverage ratio, and other requirements as outlined in the Mortgage documents. Principal prepayments are subject to a prepayment penalty as defined in the Mortgage, except as further outlined in the agreement. Principal maturities of the permanent term loan for each of the next five years are as follows:

<u>Year ending June 30:</u>	<u>Amount</u>
2024	\$ 58,359
2025	61,508
2026	64,537
2027	67,714
2028	70,807
2029	<u>1,782,987</u>
Sub-total	2,105,912
Less: Deferred mortgage costs	<u>76,527</u>
Total	<u>\$ 2,029,385</u>

Note 8 –Government stimulus programs

2020 Paycheck Protection Program

On April 28, 2021, the Synagogue received a \$378,023 term note under the Paycheck Protection Program (the “PPP Loan”). The PPP Loan was created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration (the “SBA”). During the 2022 fiscal year, the Synagogue met the requirements and filed an application for PPP Loan forgiveness. During December 2021, the PPP Loan forgiveness application was confirmed by the SBA and as a result, the Synagogue recorded government grant revenue of \$378,023 on the 2022 fiscal year statement of activities.

COMMUNITY SYNAGOGUE OF RYE
Notes to Financial Statements (continued)
June 30, 2023

Note 8 – Government stimulus programs (continued)

Employee retention credits

In response to the coronavirus emergency, the Coronavirus Aid, Relief and Economic Security Act and subsequent legislation (the “Acts”) were signed into law. The Acts provided, among other things, a refundable credit of certain qualified wages per employee for wages paid or incurred from March 13, 2020 through September 30, 2021. In connection therewith, such credits for the applicable periods, which were recognized during fiscal years ended June 30, 2023 and June 30, 2022 totaled \$226,050 and \$152,935 which are included in support on the statement of activities.

Note 9 – Board designated and net assets with donor restrictions

Included in board designated and net assets with donor restrictions are the board designated fund, endowment funds and restricted funds. At June 30, 2023 and June 30, 2022, the balances of these funds are as follows:

		<u>2023</u>		<u>2022</u>	
Board designated fund	\$	2,157,887	\$	1,910,190	
Endowment funds		479,932		434,812	
Restricted funds		<u>719,352</u>		<u>730,550</u>	
Total		<u>\$ 3,357,171</u>		<u>\$ 3,075,552</u>	

	Balance at June 30, 2022	Contributions	Investment Return	Net assets Released from Restrictions	Balance at June 30, 2023
<u>Endowment Funds</u>					
RJC fund	\$ 45,876	\$ -	\$ 6,049	\$ (1,559)	\$ 50,366
Joy of Living fund	101,215	18	13,346	-	114,579
Scholar in residence fund	42,562	-	5,612	(9,059)	39,115
Sampliner youth fund	96,978	-	12,787	(1,613)	108,152
Wolder Millman fund	54,610	-	7,201	-	61,811
Pond and Beyond fund	22,923	-	3,023	-	25,946
Obrasky fund	18,582	-	2,450	-	21,032
Etz Ha Dorot and other	<u>52,066</u>	<u>-</u>	<u>6,865</u>	<u>-</u>	<u>58,931</u>
Total endowment funds	<u>\$ 434,812</u>	<u>\$ 18</u>	<u>\$ 57,333</u>	<u>\$ (12,231)</u>	<u>\$ 479,932</u>

COMMUNITY SYNAGOGUE OF RYE
Notes to Financial Statements (continued)
June 30, 2023

Note 9 – Board designated and net assets with donor restrictions (continued)

Included in the restricted funds are the following:

<u>Restricted Funds</u>	<u>Balance at June 30, 2022</u>	<u>Contributions</u>	<u>Investment Return</u>	<u>Net Assets Released From Restrictions</u>	<u>Balance at June 30, 2023</u>
Beautification fund	\$ 26,145	\$ 50	\$ 162	\$ (32)	\$ 26,325
Camp scholarship fund	3,234	36	20	-	3,290
Cantor discretion fund	19,552	14,971	-	(17,086)	17,437
Cecele Fraenkel fund	33,899	117	210	(5,405)	28,821
Chavurah teacher pledge fund	11,975	-	74	(2,971)	9,078
ECC enrichment fund	171,340	125,691	-	(90,547)	206,484
ECC fundraising fund	19,643	309	-	-	19,952
Hesed fund	15,388	374	95	(220)	15,637
Israel action fund	2,401	-	15	-	2,416
Israel trip fund	41,027	-	254	-	41,281
Kadima fund	64,994	2,388	-	(14,018)	53,364
Kol Nashim fund	81,033	-	502	(86)	81,449
Library fund	4,563	368	28	(368)	4,591
Marilyn Zelman fund	24,444	285	151	(4,011)	20,869
P.J. library fund	3,922	25	24	-	3,971
Parenting fund	4,034	9,249	-	(6,579)	6,704
Prayer book fund	11,484	-	71	-	11,555
Rabbi discretion fund	44,921	47,955	-	(62,282)	30,594
R.S. Enrichment fund	9,752	7,330	60	(1,800)	15,342
R.S. Special Ed. fund	3,237	-	20	(750)	2,507
Seniors' fund	19,543	1,818	121	(5,205)	16,277
S.H. Klein fund	11,100	-	69	(10,492)	677
Social action fund	28,002	6,718	173	(12,890)	22,003
Teen engagement fund	67,746	4	419	(1,294)	66,875
Tzedakah fund	7,171	20,247	44	(15,609)	11,853
Total restricted	<u>730,550</u>	<u>237,935</u>	<u>2,512</u>	<u>(251,645)</u>	<u>719,352</u>
Total net assets with donor restrictions	<u>\$1,165,362</u>	<u>\$ 237,953</u>	<u>\$ 59,845</u>	<u>\$ (263,876)</u>	<u>\$1,199,284</u>

COMMUNITY SYNAGOGUE OF RYE

Notes to Financial Statements (continued)
June 30, 2023**Note 10 – Functional expenses**

The costs of providing the various programs and supporting activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Expenses attributable to more than one functional expense category are allocated using an estimate of time and effort spent. The following is a summary of expenses on a functional basis for the years ended June 30, 2023 and June 30, 2022:

	2023			
	Program Services	Supporting Activities		Total
		Management and General	Fundraising	
Expenses				
Payroll and related expenses	\$2,403,111	\$ 380,627	\$ -	\$2,783,738
Other expenses	830,449	172,587	-	1,003,036
Depreciation	315,796	-	-	315,796
Interest and amortization	113,828	-	-	113,828
Total expenses	<u>\$3,663,184</u>	<u>\$ 553,214</u>	<u>\$ -</u>	<u>\$4,216,398</u>
	2022			
	Program Services	Supporting Activities		Total
		Management and General	Fundraising	
Expenses				
Payroll and related expenses	\$2,231,377	\$ 334,994	\$ -	\$2,566,371
Other expenses	610,564	215,492	-	826,056
Depreciation	314,111	-	-	314,111
Interest and amortization	105,517	-	-	105,517
Total expenses	<u>\$3,261,569</u>	<u>\$ 550,486</u>	<u>\$ -</u>	<u>\$3,812,055</u>

Note 11 – Retirement plans

The Synagogue contributes to two multi-employer 403(b) retirement plans for eligible employees, the Reform Pension Board and the American Conference of Cantors (the “Plans”). The Synagogue made contributions to the Plans as disclosed in the Plans’ documents. The expense associated with the Plans totaled \$131,137 and \$126,611 for the fiscal years ended June 30, 2023 and 2022, respectively.

Independent Auditor's Report on Supplementary Information

To the Board of Trustees
Community Synagogue of Rye

We have audited the financial statements of Community Synagogue of Rye as of and for the year ended June 30, 2023, and our report thereon dated January 10, 2024, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information on pages 16 and 17 provides additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in our audit 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, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The information for the year ended June 30, 2022 on pages 16 and 17 provides additional analysis, and was not a required part of the 2022 financial statements. Such information was subjected to the auditing procedures applied in our audit of the 2022 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 financial statements or to the 2022 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our report dated January 9, 2023, we stated that such information was fairly stated in all material respects in relation to the 2022 financial statements taken as a whole.

Condon O'Meara McGinty & Donnelly LLP

January 10, 2024

COMMUNITY SYNAGOGUE OF RYE

Supplementary Schedule of Expenses

	Year Ended	
	June 30	
	2023	2022
Pulpit expenses		
Clergy	\$ 743,465	\$ 696,286
High Holy Day expense	41,932	33,044
Choir and music expense	5,203	19,165
Total pulpit	<u>790,600</u>	<u>748,495</u>
Building and maintenance		
Salaries and related taxes and benefits	215,537	187,127
Repairs and maintenance	150,701	118,424
Overhead allocation	(190,708)	(177,831)
Total building and maintenance	<u>175,530</u>	<u>127,720</u>
Religious school		
Salaries and related taxes and benefits	323,578	291,814
Supplies	55,784	56,741
Overhead allocation	149,892	137,720
Total religious school	<u>529,254</u>	<u>486,275</u>
Nursery school		
Salaries and related taxes and benefits	952,081	912,431
Supplies	98,386	77,120
Overhead allocation	215,107	202,633
Total nursery school	<u>1,265,574</u>	<u>1,192,184</u>
Other programs		
Youth group activities	43,628	41,265
Senior services	13,528	12,489
Adult education	6,073	494
Total other programs	<u>63,229</u>	<u>54,248</u>
General services and administration		
Salaries and related taxes and benefits	380,627	334,994
Office expense	103,759	132,694
Union of Reform Judaism dues	11,001	11,000
Insurance	109,600	103,076
Professional fees	106,498	96,793
Costs of Memorials	1,025	357
Telephone	14,299	9,842
Bad debts	696	24,252
Overhead allocation	(174,291)	(162,522)
Total general services and administration	<u>553,214</u>	<u>550,486</u>
Security services	<u>105,221</u>	<u>89,471</u>
General fund expenses		
Fundraising	58,912	-
Membership	5,864	3,918
Board-related expenses	1,660	1,246
Outreach, college and committees	1,518	2,370
Other	9,628	12,013
Total general fund	<u>\$ 77,582</u>	<u>\$ 19,547</u>

COMMUNITY SYNAGOGUE OF RYE

Supplementary Schedule of Operating Fund Working Capital

	<u>June 30</u>	
	<u>2023</u>	<u>2022</u>
Current assets		
Cash and cash equivalents	\$ 97,587	\$1,643,827
Investments	3,363,834	1,054,748
Accounts receivable, net	545,949	507,832
Employee retention tax credit receivable	-	152,935
Prepaid expenses and other assets	<u>51,482</u>	<u>22,993</u>
Total current assets	<u>\$4,058,852</u>	<u>\$3,382,335</u>
Current liabilities		
Accounts payable and accrued expenses	\$ 164,868	\$ 86,971
Prepaid dues and rentals	98,622	23,870
Deferred revenue	1,625,492	1,336,655
Current portion of long-term debt	<u>58,359</u>	<u>55,883</u>
Total current liabilities	<u>\$1,947,341</u>	<u>\$1,503,379</u>
Operating fund working capital	<u>\$2,111,511</u>	<u>\$1,878,956</u>
Working capital ratio	<u>1.9:1</u>	<u>2.2:1</u>