

Financial Report to the Board — 7/12/2024

City Club of Portland

Attached are the final reports for the 2023–24 fiscal year. They comprise:

- Operating Results and the year-end Balance Sheet, with accompanying explanatory charts.
- A recapitulation of Operating Results back to 2015.
- Formal financial statements prepared consistent with our most recent audited financials and Generally Accepted Accounting Principles. (they include more items than the operating reports).
- The Endowments Funds Summary

Members will see full financial reporting for 2023–24 in the Annual Report before fall.

A year ago, City Club was **insolvent**, having spent all its reserves and then some, leaving it out of money—with a net balance of \$30K owed on its credit line. Today we have a small amount in the bank, and we've paid off that line!

That success reflects the hard work of the current board and other committee members, whose efforts have reversed the slide in member numbers and created Club activities that draw more contributions. They scrimped on expenses while still keeping the lights on. This past year our revenues of \$92K beat our budget, and our expenses of \$68K were under budget as we stabilized the Club and began its revitalization. We nearly eliminated the negative Unrestricted Fund Balance (currently \$5K).

Still, our member numbers, staffing, and budget are all significantly below where they were five years ago. We have one-fourth the members, one-sixth the staffing, and one-tenth the budget. While we are solvent and under sound fiscal control, we have a long way to go to bring the Club back.

Last year, members had not heard anything about the Club's finances for four years. During this year we reported to members the Club's full financial results for each of those years, by publishing back Annual Reports.

We also reported that our endowments are intact at the Oregon Community Foundation. Contributed by past members and designated to support the Club in perpetuity, we have over \$1.2M that provides us with a reliable stream of income each year—but we can't take out any more without violating Oregon law. Bequests are a key source of growing the endowments, and we're grateful to members who remember the Club in their estate plans.

In a sense, we start the new fiscal year at near zero, rather than in the hole where we started last year (during the previous year the Unrestricted Fund Balance had decreased by \$105K).

However, cash flow may run slightly negative during the summer months (financed by our credit line), before going positive in the fall.

Membership has increased from the low of 348 at 12/31 to 423 at year-end, a 20% increase reflecting the efforts of the Membership Committee in recruiting, retention, and recovery.

The IRS Form 990 preparation is under way.

Thanks go to members of the Finance Committee, who bring impressive expertise to the task of overseeing our fiscal condition and advising the board on financial issues: Kathleen Joy, Philip Smith, Hilary Vineyard, and especially Chris Howard, who has helped me in running City Club's administrative functions.

Please contact me at finance@pdxcityclub.org with any questions.

—Ted Kaye, Treasurer

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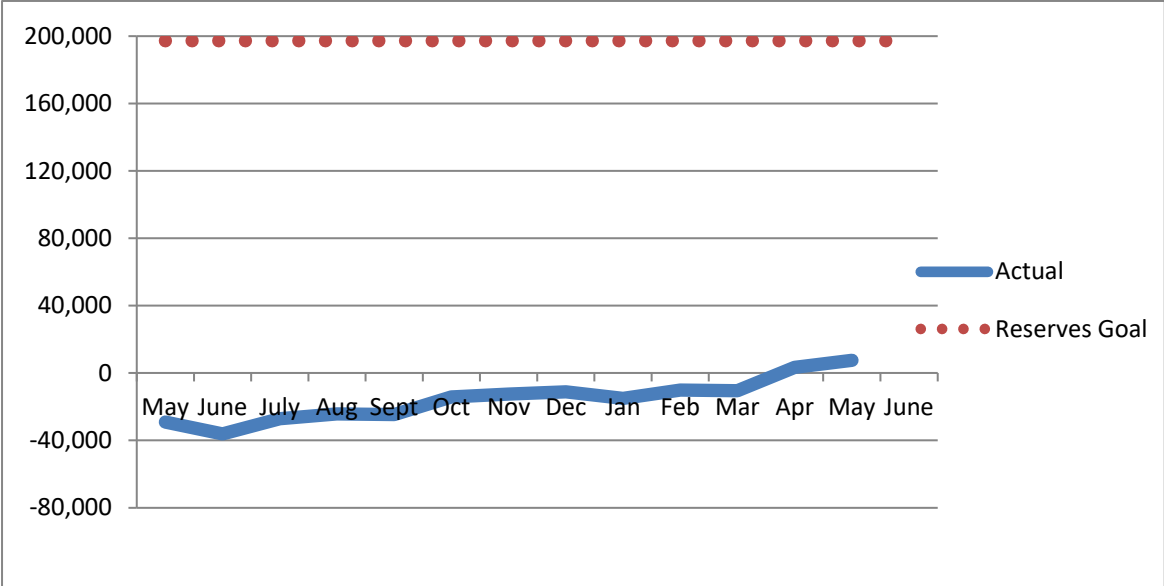
City Club Operating Budget

	2 Years Ago	Last Year	This Year	This Year	(+/-) Var.
	Full Year	Full Year	Full Year	Full Year	
	2021-22	2022-23	2023-24	2023-24	
	ACTUAL	ACTUAL	ACTUAL	BUDGET	
	Jun '21 - May '22	Jun '22 - May '23	Jun '23 - May '24	Jun '23 - May '24	
REVENUES					
Indiv. Contribs./Ann'l Fund	39,791	25,331	13,565	9,273	46%
Corporate Sponsorships	34,246	16,301			
Foundation Grants	2,000	8,750			
Release of Restricted Funds		10,000			
In-Kind Gifts	920	1,000			
Membership—Indiv.	65,869	47,540	52,692	43,654	21%
Membership—Org.	2,000				
Program Revenue			1,173		
PPP Forgiveness Accrued	35,257				
Designated Funds	6,416	6,750	7,084	7,084	
Endowment Draw	12,449	12,984	17,427	13,252	
Miscellaneous Income	1	14			
	198,950	128,671	91,942	73,263	25%
EXPENSES					
Personnel	76,915	31,581	33,538	33,029	-2%
Professional Services	53,595	165,398	1,900	2,850	33%
Rent	5,092	8,868	8,835	10,162	13%
Telephone & Tech	5,477	5,590	5,737	5,623	-2%
Insurance	4,977	5,153	5,217	5,266	1%
Printing/Copying	2,407	596		2,350	
Postage	1,074	307		790	
Programming Support	24,749	13,540	2,035	180	
Program Costs			1,600		
Marketing, FR, & Sponsor	2,108	1,658	1,405	1,020	-38%
Grant-Specific Expenses					
In-Kind Offsets	920	1,000			
Bank Fees/Finance Charges	2,629	1,893	3,418	5,701	40%
Supplies	1,043	502	278	550	49%
Other (10 accounts)	3,527	3,426	3,944	5,700	31%
	184,514	239,513	67,907	73,221	7%
NET — Surplus / (Deficit)	14,436	(110,842)	24,035	42	

City Club

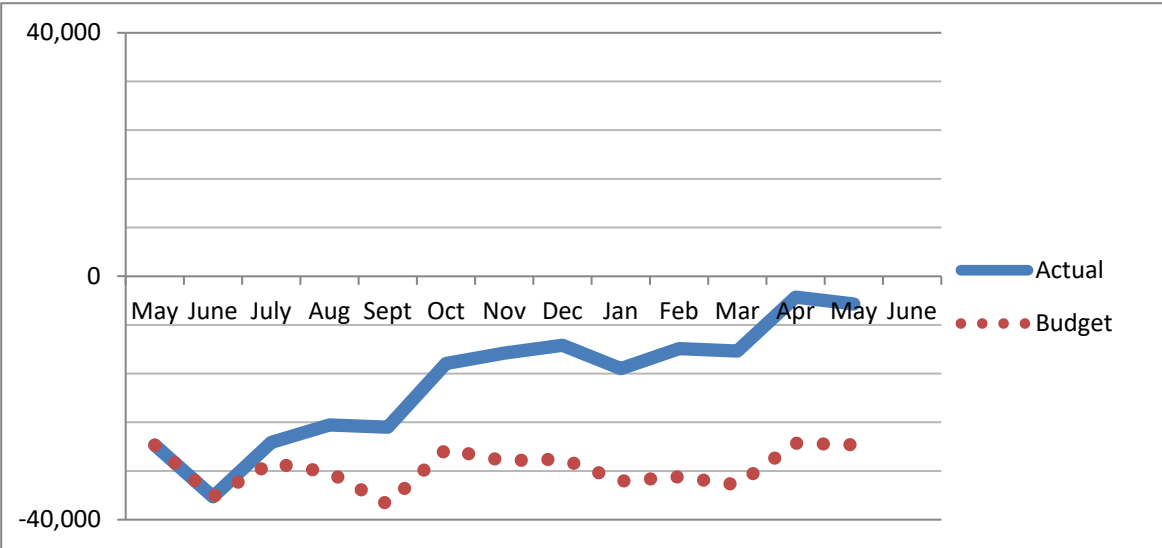
KEY BALANCE SHEET ITEMS YEAR-TO-DATE ACTUAL vs. BUDGET

Net Cash (Cash less A/P & LOC)



This cash is "owned" by the unrestricted and restricted funds.

Unrestricted Fund Balance



The Unrestricted Fund Balance is a close approximation of cash available for operations.

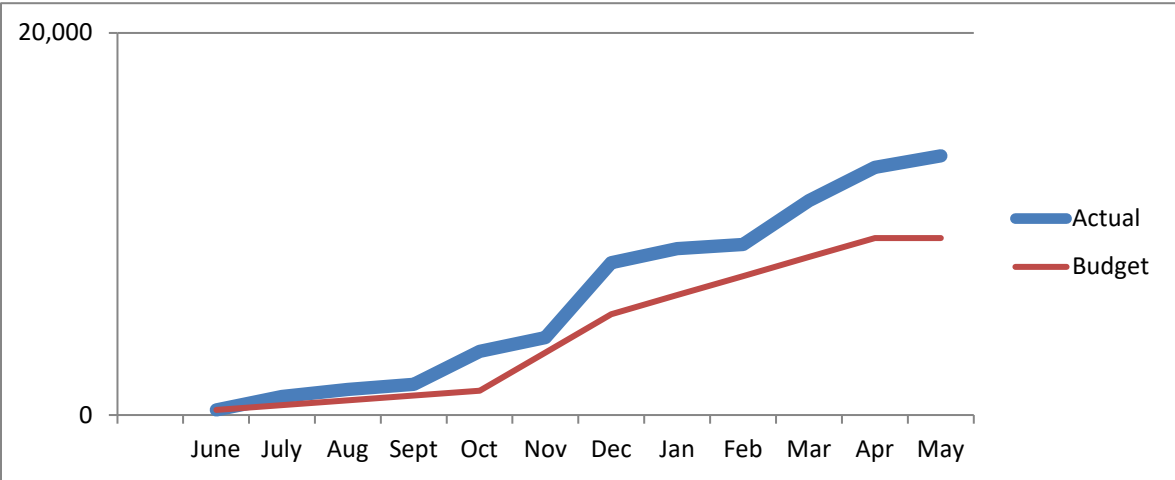
City Club Balance Sheets

	2 Years Ago	Last Year	This Year
	2021-22	2022-23	2023-24
	YEAR-END	YEAR-END	YEAR-END
	May 31, 2022	May 31, 2023	May 31, 2024
ASSETS			
Checking/Savings	95,757	21,005	9,221
Accounts Receivable	-	-	-
Other Current Assets	2,045	3,145	424
Fixed Assets—Net	-	4,306	3,445
General Endowment—OCF	335,701	317,085	341,216
Research Endowment—OCF	821,032	807,931	902,167
Total Assets	1,254,534	1,153,472	1,256,473
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LIABILITIES			
Accounts Payable & CC	4,118	185	1,645
Accrued P/R, Vacation, & Benefits	-	-	-
Deferred Revenue	-	-	10,000
Line of Credit	-	50,000	-
Other Loans	-	-	-
Total Liabilities	4,118	50,185	11,645
EQUITY FUND BALANCES			
Unrestricted	77,664	(27,749)	(4,575)
Temporarily restricted—grants	16,020	6,020	6,020
Temporarily restricted—endowments	414,963	383,247	501,614
Permanently restricted—board	1,000	1,000	1,000
Permanently restricted—donors	740,769	740,769	740,769
Total Equity / Fund Balances	1,250,416	1,103,287	1,244,828
 Total Liabilities and Equity	 1,254,534	 1,153,472	 1,256,473

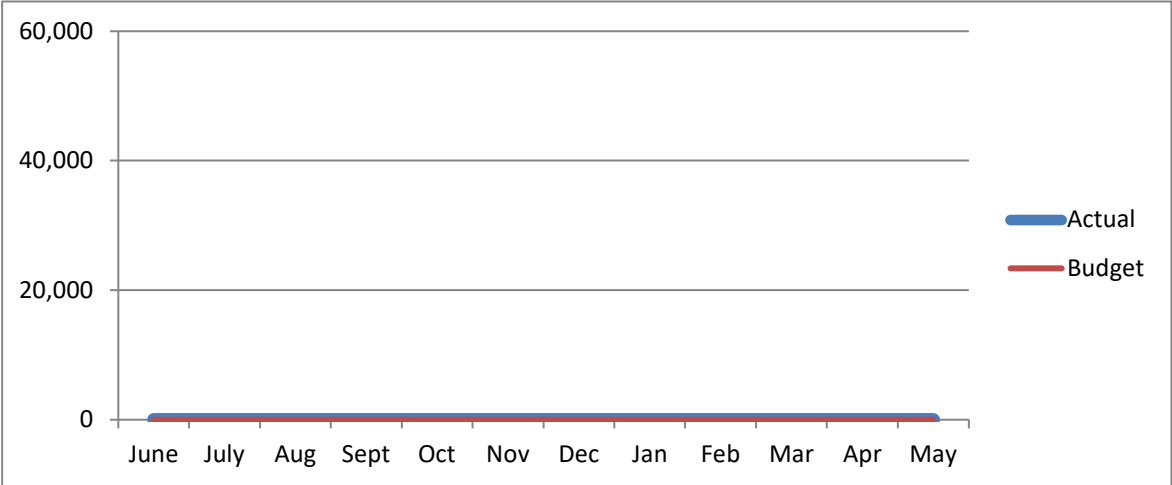
City Club

KEY REVENUE SOURCES YEAR-TO-DATE ACTUAL vs. BUDGET

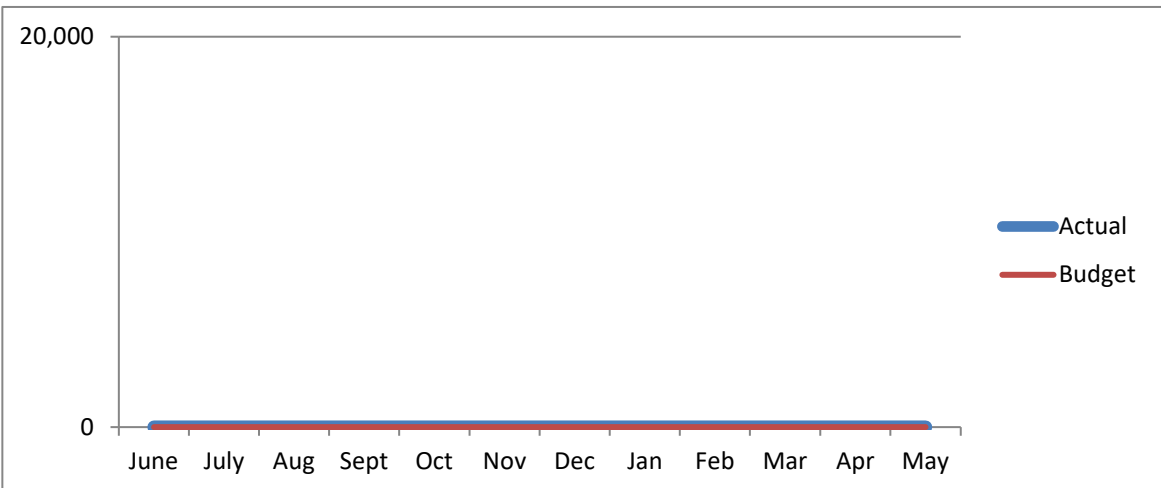
Indiv. Contribs./Ann'l Fund



Corporate Sponsorships



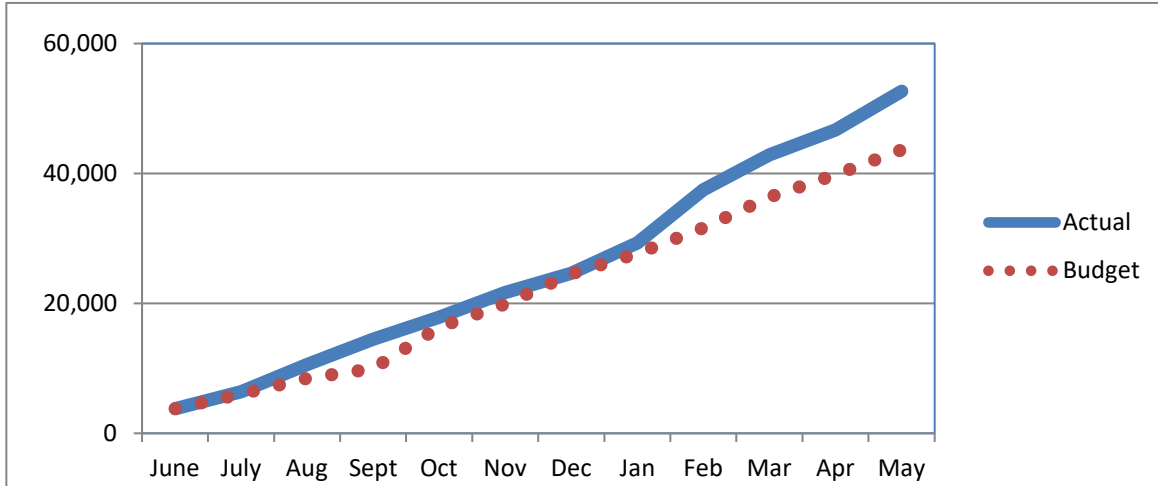
Foundation Grants



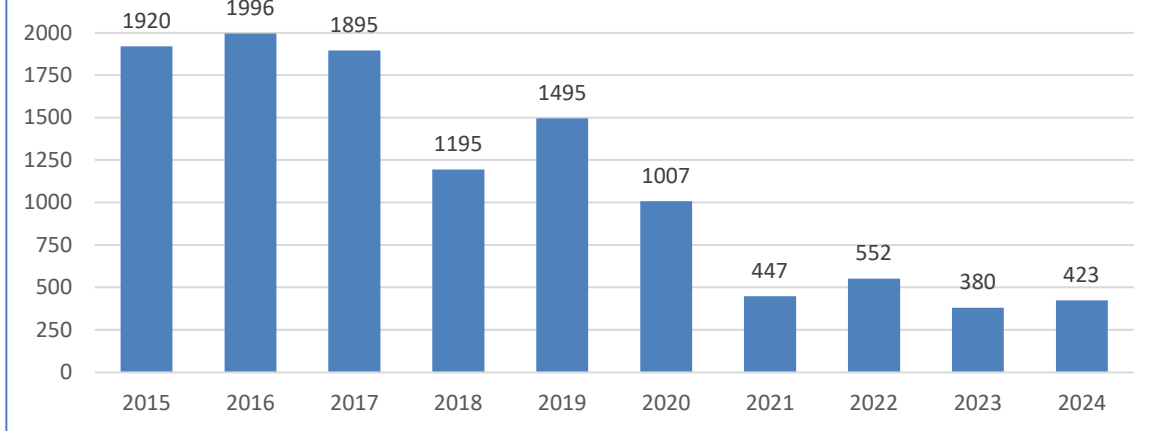
City Club

KEY REVENUE SOURCES YEAR-TO-DATE ACTUAL vs. BUDGET

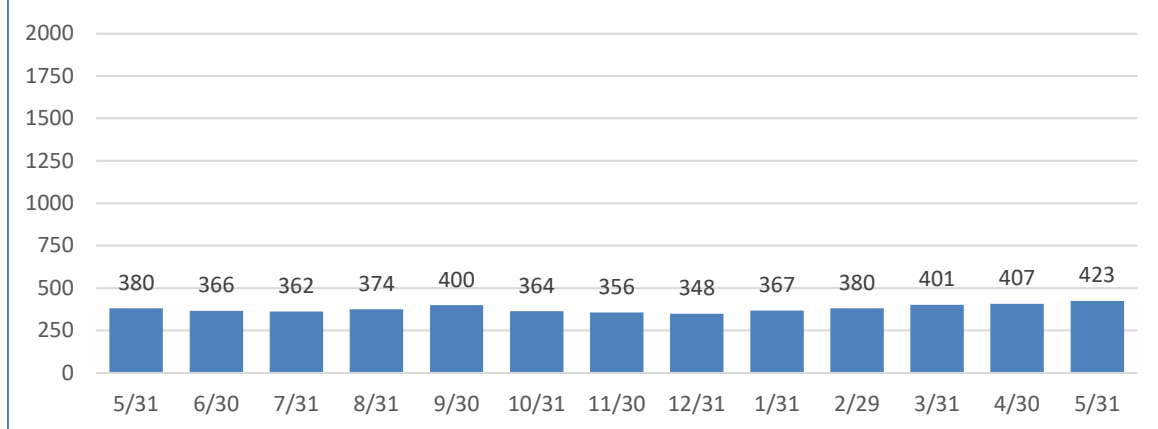
Membership Dues & Surcharges



Members at Year-End (5/31)



Members at Month-End (2023-24)



City Club of Portland Operating Results / Budget

	Full Year 2015-16 ACTUAL Jun '15 - May '16	Full Year 2016-17 ACTUAL Jun '16 - May '17	Full Year 2017-18 ACTUAL Jun '17 - May '18	Full Year 2018-19 ACTUAL Jun '18 - May '19	Full Year 2019-20 ACTUAL Jun '19 - May '20	Full Year 2020-21 ACTUAL Jun '20 - May '21	Full Year 2021-22 ACTUAL Jun '21 - May '22	Full Year 2022-23 ACTUAL Jun '22 - May '23	Full Year 2023-24 ACTUAL Jun '23 - May '24
REVENUES									
Indiv. Contribs./Ann'l Fund	108,835	66,709	60,144	53,673	47,413	33,969	39,791	25,331	13,565
Corporate Sponsorships	123,500	99,000	37,500	70,382	23,384	31,757	34,246	16,301	
Foundation Grants	15,000	15,500	40,000	122,391	31,250	1,300	2,000	8,750	
Release of Restricted Funds	90,396	79,939	72,809	6,600	38,261			10,000	
In-Kind Gifts	17,124	10,169	28,354	23,784	12,932	5,215	920	1,000	
Membership—Indiv.	202,218	185,278	117,511	126,356	87,505	62,421	65,869	47,540	52,692
Membership—Org.					10,500	2,000	2,000		
Program Revenue	168,643	123,127	108,786	104,362	51,351				1,173
Gala Event Revenue			148,883	158,739	21,300	36,703			
PPP Forgiveness Accrued					55,905	19,650	35,257		
Designated Funds	5,149	5,284	5,263	6,361	6,362	6,423	6,416	6,750	7,084
Endowment Draw	38,309	38,899	38,596	38,476	38,977	39,441	12,449	12,984	17,427
Miscellaneous Income	70	109	25	80	64	3	1	14	
	769,304	629,358	657,905	716,722	427,103	238,882	198,950	128,671	91,942
EXPENSES									
Personnel	298,719	200,203	293,157	339,571	287,259	5,645	76,915	31,581	33,538
Professional Services	90,023	124,953	22,002	19,211	33,561	26,055	53,595	165,398	1,900
Rent	48,666	61,493	70,271	61,820	51,229	24,163	5,092	8,868	8,835
Equipment Rent	4,027	3,487	3,223	3,316	3,192	1,064			
Telephone & Tech	19,334	22,871	5,133	15,505	13,031	8,518	5,477	5,590	5,737
Insurance	4,366	4,706	4,728	4,591	4,779	4,915	4,977	5,153	5,217
Printing/Copying	18,849	3,616	1,550	529	837	12	2,407	596	
Postage	7,200	2,823	2,049	1,201	1,454	333	1,074	307	
Programming Support	22,527	20,720	22,235	30,817	15,715	21,148	24,749	13,540	2,035
Program Costs	135,090	110,747	94,722	107,982	66,782				1,600
Gala Event			79,026	69,428	24,687	17,583			
Marketing, FR, & Sponsor	17,376	1,341	323	30	1,240	989	2,108	1,658	1,405
Grant-Specific Expenses	72,396	52,124	21,163	6,600		7,500			
In-Kind Offsets	17,124	10,169	28,354	23,784	12,932	5,215	920	1,000	
Bank Fees/Finance Charges	18,941	19,138	14,391	11,944	6,499	3,979	2,629	1,893	3,418
Supplies	6,875	5,413	3,002	1,881	2,840	698	1,043	502	278
Other (10 accounts)	9,320	30,425	4,632	9,514	7,433	2,446	3,527	3,426	3,944
	792,915	695,010	671,186	712,694	533,471	130,262	184,514	239,513	67,907
NET -- Surplus / (Deficit)	(23,611)	(65,652)	(13,281)	4,028	(106,368)	108,620	14,436	(110,842)	24,035



CITY CLUB *of* PORTLAND

Statement of Activities For the years ended May 31, 2023 & 2024

	2024	2023
Support and Revenue		
Contributions & grants	\$20,649	\$58,133
Bequests & endowment gifts	–	–
Membership dues	52,692	47,540
Program service revenue	1173	–
Investment income	(1,181)	(3,118)
Net realized & unrealized gains	136,975	15,614
Loan Forgiveness	–	–
Other income	–	5,443
Total support and revenue	\$210,308	\$92,384
Expenses		
Program services	\$60,396	\$71,685
Management & general	7,028	131,612
Fundraising	1,343	36,216
Total expenses	\$68,767	\$239,513
Change in net assets	\$141,541	(\$147,129)
Net assets		
Beginning of year	\$1,103,287	\$1,250,416
End of year	\$1,244,828	\$1,103,287

Notes: The Club's *operating* results were a *deficit* of **\$110,842** in 2022–23 and a surplus of \$24,035 in 2023–24.

The Club usually secures a full financial audit every four years. The 2018–19 fiscal year's financial statements were audited by Kern & Thompson. Members may receive a copy of those financial statements by contacting the Club offices.



CITY CLUB *of* PORTLAND

Statement of Financial Position May 31, 2023 & 2024

	2024	2023
Assets		
Cash & cash equivalents	\$9,221	\$21,005
Accounts & grants receivable	–	–
Prepaid expenses & deposits in transit	424	3,145
Property & equipment, net	3,445	4,306
Endowment Investments (at market)	1,243,383	1,125,016
Total Assets	\$1,256,473	\$1,254,534
Liabilities and Net Assets		
<i>Liabilities:</i>		
Accounts payable	\$1,645	\$185
Deferred revenue	10,000	–
Accruals	–	–
Loan	–	50,000
Total liabilities	\$11,645	\$50,185
<i>Net assets:</i>		
Unrestricted—undesignated	(4,575)	(27,749)
Unrestricted—board designated	1,000	1,000
Temporarily restricted	507,634	389,267
Permanently restricted	740,769	740,769
Total net assets	\$1,244,828	\$1,103,287
Total Liabilities and Net Assets	\$1,256,473	\$1,153,472



CITY CLUB of PORTLAND

ENDOWMENT FUNDS SUMMARY

	General Endowment	Research Endowment
May 31, 2020	\$270,173	\$608,344
Additions	0	0
Distributions	(12,170)	(27,271)
Gain/(Loss)/Expenses	88,714	223,123
May 31, 2021	\$346,717	\$804,196
Additions	0	15,000
Distributions	(12,449)	0
Gain/(Loss)/Expenses	1,433	1,836
May 31, 2022	\$335,701	\$821,032
Additions	0	0
Distributions	(12,984)	0
Gain/(Loss)/Expenses	(5,632)	(13,101)
May 31, 2023	\$317,085	\$807,931
Additions	0	0
Distributions	(13,427)	(4,000)
Gain/(Loss)/Expenses	37,558	98,236
May 31, 2024	\$341,216	\$902,167

The Club's endowments are held by the Oregon Community Foundation (OCF) in its main long-term investment pool. The Club is also the beneficiary of three designated funds at OCF (Sterling, Goldy, and Rosenberg), not shown here.

Annual distributions from the endowments support the Club's operating budget and, in the case of the Research Endowment, the Club's research function within the operating budget.

Currently the distribution rate set by OCF is 4.15% of the average endowment balance over the previous 13 quarters, adjusted for additions.