

**FIRST UNITED METHODIST CHURCH
OF FORT WORTH**

Fort Worth, Texas

Consolidated Financial Statements

Years Ended December 31, 2024 and 2023

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Financial Statements
Years Ended December 31, 2024 and 2023

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INDEPENDENT AUDITORS' REPORT

To the Finance and Audit Committees
First United Methodist Church of Fort Worth
Fort Worth, Texas

Opinion

We have audited the accompanying consolidated financial statements of First United Methodist Church of Fort Worth (the "Church"), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of First United Methodist Church of Fort Worth as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Management's Responsibilities for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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 consolidated 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 consolidated 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 Church'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Church'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 19 - 22 is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

PSK LLP

Arlington, Texas
August 11, 2025

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Statements of Financial Position

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 5,476,776	\$ 4,955,631
Certificates of deposit	50,353	-
Accounts receivable	5,620	3,120
Prepaid expenses	73,073	80,870
Property and equipment, net	29,947,234	30,851,051
Investments	119,644	101,230
Beneficial interest in charitable trusts	<u>1,305,035</u>	<u>1,214,491</u>
Total assets	<u>\$ 36,977,735</u>	<u>\$ 37,206,393</u>
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 305,210	\$ 363,267
Funds held for others	86,682	76,058
Deferred income	<u>118,718</u>	<u>69,071</u>
Total liabilities	<u>510,610</u>	<u>508,396</u>
Net assets		
Without donor restrictions	33,375,054	33,850,417
With donor restrictions	<u>3,092,071</u>	<u>2,847,580</u>
Total net assets	<u>36,467,125</u>	<u>36,697,997</u>
Total liabilities and net assets	<u>\$ 36,977,735</u>	<u>\$ 37,206,393</u>

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

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Statement of Activities

Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Contributions	\$ 6,864,785	\$ 1,352,727	\$ 8,217,512
Program fees	1,311,040	-	1,311,040
In-kind contributions	-	1,063,668	1,063,668
Net investment returns	353	108,958	109,311
Other revenue	232,680	100	232,780
Net assets released from restrictions	<u>2,280,962</u>	<u>(2,280,962)</u>	<u>-</u>
 Total revenues and other support	 <u>10,689,820</u>	 <u>244,491</u>	 <u>10,934,311</u>
Expenses:			
Program services	8,448,114	-	8,448,114
Supporting services	<u>2,717,069</u>	<u>-</u>	<u>2,717,069</u>
 Total expenses	 <u>11,165,183</u>	 <u>-</u>	 <u>11,165,183</u>
 Change in net assets	 (475,363)	 244,491	 (230,872)
Net assets at beginning of year	<u>33,850,417</u>	<u>2,847,580</u>	<u>36,697,997</u>
Net assets at end of year	<u>\$ 33,375,054</u>	<u>\$ 3,092,071</u>	<u>\$ 36,467,125</u>

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

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Statement of Activities

Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Contributions	\$ 6,217,200	\$ 2,044,472	\$ 8,261,672
Program fees	1,356,878	-	1,356,878
In-kind contributions	-	225,646	225,646
Net investment returns	-	145,656	145,656
Other revenue	376,419	100	376,519
Net assets released from restrictions	<u>2,538,464</u>	<u>(2,538,464)</u>	<u>-</u>
 Total revenues and other support	 <u>10,488,961</u>	 <u>(122,590)</u>	 <u>10,366,371</u>
Expenses:			
Program services	7,316,917	-	7,316,917
Supporting services	<u>2,184,399</u>	<u>-</u>	<u>2,184,399</u>
 Total expenses	 <u>9,501,316</u>	 <u>-</u>	 <u>9,501,316</u>
 Change in net assets	 987,645	 (122,590)	 865,055
Net assets at beginning of year	<u>32,862,772</u>	<u>2,970,170</u>	<u>35,832,942</u>
Net assets at end of year	<u>\$ 33,850,417</u>	<u>\$ 2,847,580</u>	<u>\$ 36,697,997</u>

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

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Statement of Functional Expenses

Year Ended December 31, 2024

	<u>Program Services</u>	<u>Supporting Services</u>	<u>Total</u>
Personnel costs	\$ 4,106,315	\$ 942,158	\$ 5,048,473
Support for others	1,875,483	-	1,875,483
Meals, travel, and lodging	137,848	4,889	142,737
Supplies and resources	400,155	36,745	436,900
Media and technology	49,083	189,771	238,854
Risk management	-	403,697	403,697
Fees for services	380,103	108,381	488,484
Facilities	37,833	773,553	811,386
Depreciation	<u>1,461,294</u>	<u>257,875</u>	<u>1,719,169</u>
	<u>\$ 8,448,114</u>	<u>\$ 2,717,069</u>	<u>\$ 11,165,183</u>

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

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Statement of Functional Expenses

Year Ended December 31, 2023

	Program Services	Supporting Services	Total
Personnel costs	\$ 4,295,512	\$ 825,760	\$ 5,121,272
Support for others	1,223,293	-	1,223,293
Meals, travel, and lodging	168,072	6,325	174,397
Supplies and resources	337,289	35,313	372,602
Media and technology	66,360	141,617	207,977
Risk management	-	307,608	307,608
Fees for services	414,649	97,720	512,369
Facilities	61,079	637,586	698,665
Depreciation	750,663	132,470	883,133
	<u>\$ 7,316,917</u>	<u>\$ 2,184,399</u>	<u>\$ 9,501,316</u>

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

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Statements of Cash Flows
 Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ (230,872)	\$ 865,055
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,719,169	883,133
Net investment income	(109,311)	(145,656)
Contributions restricted for building and improvements	(2,670)	(871,673)
(Increase) decrease in assets:		
Accounts receivable	(2,500)	(1,422)
Prepaid expenses	7,797	8,752
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(58,057)	107,245
Funds held for others	10,624	(1,190)
Deferred income	49,647	(19,212)
Net cash provided by operating activities	<u>1,383,827</u>	<u>825,032</u>
Cash flows from investing activities:		
Proceeds from sale of investments	-	13,400
Purchase of certificates of deposit	(50,000)	-
Purchases of property and equipment	(815,352)	(1,049,470)
Net cash used in investing activities	<u>(865,352)</u>	<u>(1,036,070)</u>
Cash flows from financing activities:		
Advances on note payable	-	136,608
Payments on note payable	-	(2,337,543)
Contributions restricted for building and improvements	2,670	871,673
Net cash provided by (used in) financing activities	<u>2,670</u>	<u>(1,329,262)</u>
Change in cash	521,145	(1,540,300)
Cash at beginning of year	<u>4,955,631</u>	<u>6,495,931</u>
Cash at end of year	<u>\$ 5,476,776</u>	<u>\$ 4,955,631</u>
Supplemental disclosure:		
Cash paid for interest and capitalized	<u>\$ -</u>	<u>\$ 70,787</u>

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

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Notes to Consolidated Financial Statements

1 - Organization and Nature of Activities

First United Methodist Church of Fort Worth (the “Church”), a Texas nonprofit corporation, serves various charitable, educational, religious and/or missionary undertakings. The majority of the Church's revenues and support are contributed by its members who reside in the greater Fort Worth area.

The Church extends its ministry through another nonprofit entity, the First Street Methodist Mission, (the “Mission”). The Mission is affiliated with the Church as a result of management and financial control. The financial statements of this entity are consolidated with the financial statements of the Church. All inter-company transactions have been eliminated. The Church and Mission are exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code as other than a private foundation.

2 - Significant Accounting Policies

Basis of Accounting - The consolidated financial statements of the Church have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when the obligation is incurred. The consolidated financial statements of the Church have been prepared using accounting principles generally accepted in the United States of America.

Basis of Presentation - Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions.

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

Revenues and Support - Revenues and support for the Church are primarily derived from contributions from the Church membership.

Functional Allocation of Expenses - The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs are allocated on the basis of estimates of time and effort.

In-Kind Contributions - In-kind contributions, which are donations of food, clothing, materials and supplies used by First Street Methodist Mission, are recognized as support and expenses in the consolidated statements of activities. In-kind contributions are recorded at their estimated fair market value at the date of receipt and totaled \$1,063,668 and \$225,646 for the years ended December 31, 2024 and 2023, respectively.

Cash and Cash Equivalents - For purposes of reporting cash flows, the Church considers all bank deposits and highly liquid financial instruments with original maturities of three months or less, to be cash and cash equivalents.

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Notes to Consolidated Financial Statements

2 - Significant Accounting Policies (continued)

Certificates of Deposit - Certificates of deposit are valued at cost plus accrued interest.

Property and Equipment - It is the Church's policy to capitalize purchases of property and equipment over \$10,000. Property and equipment are recorded at cost, if purchased, and fair market value at date of donation, if contributed. Land, buildings, improvements, and equipment on hand prior to March 31, 1986 are stated at estimated value based upon insurance values and appraisal district valuations as of that date. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets as follows:

Buildings and improvements	7 to 40 years
Furniture, fixtures and equipment	3 to 10 years
Vehicles	5 years

Within the United Methodist Church denomination, all properties of local churches are held in trust for the benefit of the entire denomination with ownership and usage of church property subject to the United Methodist Book of Discipline ("the Discipline"). The trust is irrevocable except as provided by the Discipline.

Investments - The Church records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statement of financial position. Net investment return is reported in the consolidated statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, less investment expenses.

Investment Policy - Certain investments are held by a trustee, who is responsible for all investment decisions, managing the trust and determining the strategy to achieve objectives per the provisions of the trust document. The Church has a beneficial interest in the assets held by the trustee.

Donated Assets - Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation.

Use of Estimates - Management used estimates and assumptions in preparing these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Compensated Absences - Employees of the Church, administrative and ministerial, are entitled to paid vacation depending upon length of service and other factors. Any unused vacation benefits expire at the end of each calendar year. Accordingly, no liability has been recorded in the accompanying consolidated financial statements. The Church's policy is to recognize the cost of compensated absences when paid to employees.

Income Taxes - The Church follows the Income Taxes topic of the FASB ASC, which prescribes a comprehensive model for the financial statement recognition, measurement, presentation and disclosure of uncertain tax positions taken or expected to be taken in income tax returns. The Church is not aware of any activities that would jeopardize its tax-exempt status and is not aware of any activities that are subject to tax on unrelated business income, other than those reported on Form 990T. As of December 31, 2024, the Church had no uncertain tax positions that qualify for either recognition or disclosure in the consolidated financial statements and does not expect this to change in the next twelve months. The 2020 through 2024 tax years remain subject to examination by the Internal Revenue Service.

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Notes to Consolidated Financial Statements

2 - Significant Accounting Policies (continued)

Concentrations of Credit Risk - The Church maintains deposits with highly reputable financial institutions, which at times are in excess of the federally insured limit. It is the opinion of management that the solvency of the financial institutions is sufficient to cover any related exposure.

Subsequent Events - Subsequent events have been evaluated through August 11, 2025, which is the date the consolidated financial statements were available to be issued.

3 - Liquidity and Availability of Resources

The Church operates under a budget for activities supported by unrestricted tithes and offerings. Its Governing Board (the "Board") is responsible for monitoring the liquidity necessary to meet the Church's operating needs and meets periodically throughout the year to evaluate the actual results of financial operations versus the budget. Additionally, the Church maintains Board designated and donor-restricted ministry funds, at times, purposed for various other activities consistent with the mission of the Church (see Notes 9 and 10). Church management, in collaboration with the Board, appropriates resources from Board designated and donor-restricted funds.

Financial assets available for general expenditure, that is, without donor restrictions limiting their use or without requiring specific action of the Board, within one year of the date of the consolidated statement of financial position are comprised of the following:

	2024	2023
Cash	\$ 5,476,776	\$ 4,955,631
Certificates of deposit	50,353	-
Accounts receivable	5,620	3,120
Investments and beneficial interest in charitable trusts	1,424,679	1,315,721
	6,957,428	6,274,472
Donor-imposed restrictions	(3,092,071)	(2,847,580)
Board designations	(2,460,216)	(2,100,170)
Financial assets available to meet general expenditure needs within one year	\$ 1,405,141	\$ 1,326,722

4 - Property and Equipment

The following is a summary of property and equipment as of December 31, 2024:

	2024	2023
Land	\$ 4,090,066	\$ 4,090,066
Buildings and improvements	40,174,322	39,982,979
Furniture, fixtures and equipment	9,696,568	8,706,410
Vehicles	127,068	127,068
Construction in progress	73,404	439,553
	54,161,428	53,346,076
Less accumulated depreciation	(24,214,194)	(22,495,025)
Net property and equipment	\$ 29,947,234	\$ 30,851,051

FIRST UNITED METHODIST CHURCH OF FORT WORTH
Notes to Consolidated Financial Statements

5 - Beneficial Interest in Charitable Trust

The Church received a 10% split interest in a perpetual trust established from the bequest of Sheila E. Allen (the “Allen Trust”) and is entitled to receive, into perpetuity, its proportionate share of the annual net investment income earned from trust assets. The assets are held in trust by a bank who is the trustee of the Allen Trust. Because the present value of the future cash flows from the trust cannot be reasonably determined, the reported value of the Church’s beneficial interest is measured by its share of the fair value of the trust’s assets, which amounted to \$246,397 and \$224,220 at December 31, 2024 and 2023, respectively.

The income distributed from the Allen Trust is to be used to maintain and preserve Church buildings; and in accordance with the trust document, it is included in net assets with donor restrictions until appropriated for expenditure. The Church’s share of trust distributions amounted to approximately \$6,800 and \$4,700 for 2024 and 2023, respectively.

The Church received a beneficial interest in a testamentary trust established from the bequest of Saul B. Sells known as the Helen F. Sells Charitable Trust (the “Sells Trust”) and is entitled to receive its proportionate share of the annual net investment income earned from trust assets until such time that the trust terminates. The assets are held in trust by a bank who is the trustee of the Sells Trust. Because the present value of the future cash flows from the trust cannot be reasonably determined, the reported value of the Church’s beneficial interest is measured by its share of the fair value of the trust’s assets, which amounted to \$1,058,638 and \$990,271 at December 31, 2024 and 2023, respectively.

The income distributed from the Sells Trust is to be used for the care, feeding and clothing of needy individuals in Tarrant County and is included in net assets with donor restrictions until appropriated for expenditure. Distributions received by the Church for 2024 and 2023 amounted to approximately \$42,000 and \$31,000, respectively.

6 - Fair Value Measurements

The Church follows the Fair Value Measurements topic of the FASB ASC for all financial assets and liabilities measured at fair value on a recurring basis. The topic establishes a framework for measuring fair value and enhances disclosure requirements for fair value measurements. The topic defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The topic establishes market or observable inputs as the preferred sources of values, followed by assumptions based on hypothetical transactions in the absence of market inputs. The topic establishes a hierarchy for grouping these assets and liabilities, based on the significance level of the following inputs:

Level I – Quoted prices in active markets for identical assets or liabilities.

Level II – Quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations whose inputs are observable or whose significant drivers are observable.

Level III – Significant inputs to the valuation model are unobservable.

FIRST UNITED METHODIST CHURCH OF FORT WORTH
Notes to Consolidated Financial Statements

6 - Fair Value Measurements (continued)

The tables below summarize the investments and beneficial interest in charitable trusts by level as of December 31, 2024 and 2023:

	Assets at Fair Value as of December 31, 2024			
	Level I	Level II	Level III	Total
Investments - equity mutual funds	\$ 119,644	\$ -	\$ -	\$ 119,644
Beneficial interest in charitable trusts				
Sheila E. Allen Trust	234,906	11,491	-	246,397
Saul B. Sells Trust	1,058,638	-	-	1,058,638
Total assets at fair value	<u>\$ 1,413,188</u>	<u>\$ 11,491</u>	<u>\$ -</u>	<u>\$ 1,424,679</u>

	Assets at Fair Value as of December 31, 2023			
	Level I	Level II	Level III	Total
Investments - equity mutual funds	\$ 101,230	\$ -	\$ -	\$ 101,230
Beneficial interest in charitable trusts				
Sheila E. Allen Trust	213,974	10,246	-	224,220
Saul B. Sells Trust	990,271	-	-	990,271
Total assets at fair value	<u>\$ 1,305,475</u>	<u>\$ 10,246</u>	<u>\$ -</u>	<u>\$ 1,315,721</u>

The beneficial interest in charitable trusts is carried at fair value based on information obtained from the trustees regarding the trust holdings, the value of these holdings and other pertinent information. The trusts have invested in a diversified portfolio with an emphasis on domestic common stocks and mutual funds. In addition, investments have been made in international common stocks and mutual funds, domestic and international fixed income securities and structured alternative investments. Level I investments include cash, equities, fixed income and other tangible assets. Level II investments include hedge funds, real estate, and alternative investments.

Investments are also recorded at fair value and include money market funds and mutual funds that are valued using quoted prices on nationally recognized securities exchanges.

7 - Related Parties

The Methodist Justice Ministry (“MJM”) is organized to provide free legal advice and representation to people in the community whose incomes are at 125% or less of federal poverty guidelines. MJM is self-funded although funds have been contributed to MJM by members of the Church.

The First Methodist Church of Fort Worth Foundation, Inc. (the “Foundation”) is organized to receive and preserve gifts and bequests which are intended to benefit the Church and to support and assist in carrying out the purposes and programs of the Church.

The Church has determined not to include the net assets and operating results of MJM or the Foundation in these consolidated financial statements as control of these organizations does not exist through a majority voting interest or board representation.

FIRST UNITED METHODIST CHURCH OF FORT WORTH
Notes to Consolidated Financial Statements

7 - Related Parties (continued)

A summary of financial data of the Foundation at December 31, 2024 and 2023 follows:

	<u>2024</u>	<u>2023</u>
Total assets	\$ 100,609,290	\$ 90,620,945
Total liabilities	<u>583,779</u>	<u>447,502</u>
Net assets	<u>\$ 100,025,511</u>	<u>\$ 90,173,443</u>

The Church received contributions from the Foundation as follows:

	<u>2024</u>	<u>2023</u>
Contributions for general use	\$ 2,955,825	\$ 2,495,790
Contributions for programs and ministries	<u>112,121</u>	<u>103,892</u>
	<u>\$ 3,067,946</u>	<u>\$ 2,599,682</u>

8 - Retirement Plan

The Church participates in two retirement plans of the General Board of Pensions of the United Methodist Church. A defined benefit plan is available only to clergy, and the Church contributes toward this plan amounts determined by the Central Texas Conference of the United Methodist Church. A defined contribution plan is available to both clergy and lay employees. For lay employees, the Church contributed 3% of participating employees' compensation annually. For clergy, the Church also contributed 3% of participating clergy persons' compensation annually. For the years ended December 31, 2024 and 2023, pension expense was \$122,702 and \$140,438, respectively.

9 - Net Assets Without Donor Restrictions

The balance of net assets without donor restrictions as of December 31, 2024 and 2023 includes net assets designated by the Board for the following purposes:

	<u>2024</u>	<u>2023</u>
Funds designated for future operating costs:		
General Memorial Funds	\$ 23,586	\$ 35,977
Operating Cash Reserve	600,000	600,000
Insurance Deductible/Emergency Fund	961,056	-
Funds designated for future capital costs:		
Next90 Project	-	4,806
Board of Trustees Funds	695,443	1,291,483
Funds designated for perpetual care:		
Columbarium	<u>180,131</u>	<u>167,904</u>
	<u>\$ 2,460,216</u>	<u>\$ 2,100,170</u>

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Notes to Consolidated Financial Statements

10 - Net Assets With Donor Restrictions

The balance of net assets with donor restrictions as of December 31, 2024 and 2023, relates to certain contributions for which the donor has imposed restrictions. These restrictions require the Church to use such funds for expenses directly related to Church activities that correspond to the donor's wishes. Net assets with donor restrictions consisted of the following as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Property acquisitions	\$ 100,000	\$ 100,000
Program expenses	1,349,571	1,232,718
Advance pledges	217,821	199,141
Scholarships	119,644	101,230
Beneficial interest in testamentary trust	1,058,638	990,271
Beneficial interest in perpetual trust	<u>246,397</u>	<u>224,220</u>
	<u>\$ 3,092,071</u>	<u>\$ 2,847,580</u>

During the years ended December 31, 2024 and 2023, net assets with donor restrictions in the amount of \$2,280,962 and \$2,538,464, respectively, had been expended in accordance with donor restrictions and have been reclassified to net assets without donor restrictions.

11 - In-Kind Contributions

During the years ended December 31, 2024 and 2023, in-kind contributions consisted of the following:

	<u>2024</u>	<u>2023</u>
Food	\$ 816,517	\$ -
Clothing and coats	146,170	113,725
Infant formula	39,555	68,390
Start up kits	33,750	28,425
Books	<u>27,676</u>	<u>15,106</u>
	<u>\$ 1,063,668</u>	<u>\$ 225,646</u>

SUPPLEMENTARY INFORMATION

FIRST UNITED METHODIST CHURCH OF FORT WORTH
 Consolidating Statement of Financial Position - By Fund
 December 31, 2024

	Budget	Designated	Temporarily Restricted	Permanently Restricted	Weekday	Mission	Total
ASSETS							
Cash	\$ 233,947	\$ 2,460,216	\$ 1,149,008	\$ -	\$ 1,103,759	\$ 529,846	\$ 5,476,776
Certificates of deposit	-	-	-	-	50,353	-	50,353
Accounts receivable	5,620	-	-	-	-	-	5,620
Prepaid expenses	73,073	-	-	-	-	-	73,073
Property and equipment, net	29,947,234	-	-	-	-	-	29,947,234
Investments	-	-	119,644	-	-	-	119,644
Beneficial interest in charitable trusts	-	-	1,058,638	246,397	-	-	1,305,035
	<u>-</u>	<u>-</u>	<u>1,058,638</u>	<u>246,397</u>	<u>-</u>	<u>-</u>	<u>1,305,035</u>
Total assets	<u>\$ 30,259,874</u>	<u>\$ 2,460,216</u>	<u>\$ 2,327,290</u>	<u>\$ 246,397</u>	<u>\$ 1,154,112</u>	<u>\$ 529,846</u>	<u>\$ 36,977,735</u>
LIABILITIES AND NET ASSETS							
Accounts payable and accrued expenses	\$ 275,497	\$ -	\$ 10,430	\$ -	\$ 4,674	\$ 14,609	\$ 305,210
Funds held for others	-	-	86,682	-	-	-	86,682
Deferred income	55,079	-	-	-	63,639	-	118,718
	<u>330,576</u>	<u>-</u>	<u>97,112</u>	<u>-</u>	<u>68,313</u>	<u>14,609</u>	<u>510,610</u>
Total liabilities	<u>330,576</u>	<u>-</u>	<u>97,112</u>	<u>-</u>	<u>68,313</u>	<u>14,609</u>	<u>510,610</u>
Net assets							
Without donor restrictions	29,929,298	2,460,216	-	-	985,540	-	33,375,054
With donor restrictions	-	-	2,230,178	246,397	100,259	515,237	3,092,071
	<u>-</u>	<u>-</u>	<u>2,230,178</u>	<u>246,397</u>	<u>100,259</u>	<u>515,237</u>	<u>3,092,071</u>
Total net assets	<u>29,929,298</u>	<u>2,460,216</u>	<u>2,230,178</u>	<u>246,397</u>	<u>1,085,799</u>	<u>515,237</u>	<u>36,467,125</u>
Total liabilities and net assets	<u>\$ 30,259,874</u>	<u>\$ 2,460,216</u>	<u>\$ 2,327,290</u>	<u>\$ 246,397</u>	<u>\$ 1,154,112</u>	<u>\$ 529,846</u>	<u>\$ 36,977,735</u>

FIRST UNITED METHODIST CHURCH OF FORT WORTH
 Consolidating Statement of Activities - By Fund
 Year Ended December 31, 2024

	Budget	Designated	Temporarily Restricted	Permanently Restricted	Weekday	Mission	Total
Revenues and other support:							
Contributions	\$ 3,881,586	\$ 2,983,199	\$ 482,541	\$ -	\$ -	\$ 870,186	\$ 8,217,512
Program fees	-	-	-	-	1,311,040	-	1,311,040
In-kind contributions	-	-	-	-	-	1,063,668	1,063,668
Net investment return	-	-	86,781	22,177	353	-	109,311
Other revenue	221,218	-	100	-	11,462	-	232,780
Interfund transfers	<u>2,791,756</u>	<u>(2,595,615)</u>	<u>(196,141)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other support	<u>6,894,560</u>	<u>387,584</u>	<u>373,281</u>	<u>22,177</u>	<u>1,322,855</u>	<u>1,933,854</u>	<u>10,934,311</u>
Expenses:							
Program services	5,021,818	27,538	229,995	-	1,294,598	1,874,165	8,448,114
Supporting services	<u>2,717,069</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,717,069</u>
Total expenses	<u>7,738,887</u>	<u>27,538</u>	<u>229,995</u>	<u>-</u>	<u>1,294,598</u>	<u>1,874,165</u>	<u>11,165,183</u>
Change in net assets	(844,327)	360,046	143,286	22,177	28,257	59,689	(230,872)
Net assets at beginning of year	<u>30,773,625</u>	<u>2,100,170</u>	<u>2,086,892</u>	<u>224,220</u>	<u>1,057,542</u>	<u>455,548</u>	<u>36,697,997</u>
Net assets at end of year	<u>\$ 29,929,298</u>	<u>\$ 2,460,216</u>	<u>\$ 2,230,178</u>	<u>\$ 246,397</u>	<u>\$ 1,085,799</u>	<u>\$ 515,237</u>	<u>\$ 36,467,125</u>

FIRST UNITED METHODIST CHURCH OF FORT WORTH
 Consolidating Statement of Financial Position - By Fund
 December 31, 2023

	Budget	Designated	Temporarily Restricted	Permanently Restricted	Weekday	Mission	Total
ASSETS							
Cash	\$ 206,328	\$ 2,100,170	\$ 1,066,809	\$ -	\$ 1,120,398	\$ 461,926	\$ 4,955,631
Accounts receivable	3,120	-	-	-	-	-	3,120
Prepaid expenses	63,478	-	17,392	-	-	-	80,870
Property and equipment, net	30,851,051	-	-	-	-	-	30,851,051
Investments	-	-	101,230	-	-	-	101,230
Beneficial interest in charitable trusts	-	-	990,271	224,220	-	-	1,214,491
Total assets	<u>\$ 31,123,977</u>	<u>\$ 2,100,170</u>	<u>\$ 2,175,702</u>	<u>\$ 224,220</u>	<u>\$ 1,120,398</u>	<u>\$ 461,926</u>	<u>\$ 37,206,393</u>
LIABILITIES AND NET ASSETS							
Accounts payable and accrued expenses	\$ 342,502	\$ -	\$ 12,752	\$ -	\$ 1,635	\$ 6,378	\$ 363,267
Funds held for others	-	-	76,058	-	-	-	76,058
Deferred income	7,850	-	-	-	61,221	-	69,071
Note payable	-	-	-	-	-	-	-
Total liabilities	<u>350,352</u>	<u>-</u>	<u>88,810</u>	<u>-</u>	<u>62,856</u>	<u>6,378</u>	<u>508,396</u>
Net assets							
Without donor restrictions	30,773,625	2,100,170	-	-	976,622	-	33,850,417
With donor restrictions	-	-	2,086,892	224,220	80,920	455,548	2,847,580
Total net assets	<u>30,773,625</u>	<u>2,100,170</u>	<u>2,086,892</u>	<u>224,220</u>	<u>1,057,542</u>	<u>455,548</u>	<u>36,697,997</u>
Total liabilities and net assets	<u>\$ 31,123,977</u>	<u>\$ 2,100,170</u>	<u>\$ 2,175,702</u>	<u>\$ 224,220</u>	<u>\$ 1,120,398</u>	<u>\$ 461,926</u>	<u>\$ 37,206,393</u>

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidating Statement of Activities - By Fund

Year Ended December 31, 2023

	<u>Budget</u>	<u>Designated</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Weekday</u>	<u>Mission</u>	<u>Total</u>
Revenues and other support:							
Contributions	\$ 5,003,001	\$ 1,214,199	\$ 1,482,693	\$ -	\$ -	\$ 561,779	\$ 8,261,672
Program fees	-	-	-	-	1,356,878	-	1,356,878
In-kind contributions	-	-	-	-	-	225,646	225,646
Net investment return	-	-	117,679	27,977	-	-	145,656
Other revenue	205,010	-	100	-	171,409	-	376,519
Interfund transfers	<u>3,893,685</u>	<u>(2,721,208)</u>	<u>(1,172,477)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other support	<u>9,101,696</u>	<u>(1,507,009)</u>	<u>427,995</u>	<u>27,977</u>	<u>1,528,287</u>	<u>787,425</u>	<u>10,366,371</u>
Expenses:							
Program services	4,657,840	3,730	307,514	-	1,289,360	1,058,473	7,316,917
Supporting services	<u>2,184,399</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,184,399</u>
Total expenses	<u>6,842,239</u>	<u>3,730</u>	<u>307,514</u>	<u>-</u>	<u>1,289,360</u>	<u>1,058,473</u>	<u>9,501,316</u>
Change in net assets	2,259,457	(1,510,739)	120,481	27,977	238,927	(271,048)	865,055
Net assets at beginning of year	<u>28,514,168</u>	<u>3,610,909</u>	<u>1,966,411</u>	<u>196,243</u>	<u>818,615</u>	<u>726,596</u>	<u>35,832,942</u>
Net assets at end of year	<u>\$ 30,773,625</u>	<u>\$ 2,100,170</u>	<u>\$ 2,086,892</u>	<u>\$ 224,220</u>	<u>\$ 1,057,542</u>	<u>\$ 455,548</u>	<u>\$ 36,697,997</u>