

First Congregational Church of Woodstock

Operating Fund Financial Comments – Year to Date August 2022

Overall Summary

- Net income is \$17k over budget. Approximately \$14k is due to extra income (\$7,500 of unbudgeted grant income for repainting the sanctuary and the rest from higher pledge income). Approximately \$3k is due to lower expenses overall; it is currently unclear to what extent the expense savings will persist for the rest of the year.

Income

- Pledges and Other Contributions are \$7k over budget. We appear to be firmly on track to exceed our contributions budget for the year.
- Grant income is a second (unbudgeted) grant of \$7,500 from Preservation Connecticut to help offset expenses for repainting the exterior of the sanctuary.

Expenses

- Worship and Faith Formation expenses are collectively \$6k below budget. Plans for the rest of this year are still in development and may involve greater investment in ministry than earlier in the year, so the outcome for the full year is currently uncertain.
- Facilities expenses are \$6k over budget but this includes \$7,500 in unbudgeted sanctuary painting costs that were funded by the unbudgeted grant income reported above. Excluding this, facilities expenses are under budget by about \$1,300.
- Facilities expenses in the operating account do not include another \$36k for repainting the exterior of the sanctuary. This expense was paid out of the Trustees' Angel Fund (thank you again painting Angels!), which included the first \$7,500 grant from Preservation Connecticut received in 2021. These expenses are shown in the separate Restricted, Capital & Investment Funds report. [NOTE: These amounts have been updated from previous reports to reflect the second \$7,500 grant from Preservation Connecticut with the related expenses now being included in facilities maintenance expenses instead of being charged to the Capital Reserve Fund.]

Thank you for your continued generosity, which makes possible our worship and pastoral care and enables us to serve people in need during these difficult times.

Tom Duggan, Treasurer

**First Congregational Church of Woodstock
Summary of Operating Income & Expenses**

Data as of 9/6/22

	Actual	Budget		
	Year-to-Date	Year-to-Date		Difference
	<u>8/31/2022</u>	<u>8/31/2022</u>		
Income				
Pledges	\$118,982	\$112,000	✔	\$6,982
Other Contributions	4,134	5,000	!	(866)
Grants	7,500	0	✔	7,500
Facilities Income	11,600	11,864	!	(264)
Fundraising	1,488	1,000	✔	488
Serving Others	2,007	1,400	✔	607
New Century Fund Withdrawal	0	0	✔	0
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	145,711	131,264	✔	14,447
Expenses				
Pastor	56,080	56,270	✔	(190)
Facilities	47,824	41,580	✘	6,244
Office	15,105	16,276	✔	(1,171)
Worship	10,392	13,280	✔	(2,888)
Serving Others	7,291	8,406	✔	(1,115)
Faith Formation	910	4,350	✔	(3,440)
	<hr/>	<hr/>		
	137,602	140,162	✔	(2,560)
	<hr/>	<hr/>		
Unrestricted Net Income	\$8,109	(\$8,898)	✔	17,007

NOTE: Unrestricted income & expenses exclude Restricted and Capital Fund items including \$36k of the total \$44k of sanctuary painting expenses in 2022. These are reported separately. \$8k of grant-funded sanctuary painting expense is included in Facilities expenses.

**First Congregational Church of Woodstock
Detail of Operating Income & Expenses**

Data as of 9/6/22

	Actual Year-to-Date 8/31/2022	Budget Year-to-Date 8/31/2022		Difference
Income				
400.000 Contributions				
400.100 Pledges	\$118,982	\$112,000	✔	\$6,982
400.101 Other Contributions	4,134	5,000	!	(866)
400.102 Grants	7,500	0	✔	7,500
	<u>130,616</u>	<u>117,000</u>	✔	<u>13,616</u>
402.000 Fundraising				
402.101 Chicken Barbeque Income	0	0	✔	0
402.101EXPS Expenses for Chicken BBQ	(639)	0	!	(639)
Chicken BBQ Net Income	(639)	0	!	(639)
402.102 Christmas on the Hill Income	74	0	✔	74
402.103 Arts Festival Income	0	0	✔	0
402.104 Italian Dinner	2,315	1,000	✔	1,315
402.104EXPS Expenses for Italian Dinner	(262)	0	!	(262)
Italian Dinner Net Income	2,053	1,000	✔	1,053
	<u>1,488</u>	<u>1,000</u>	✔	<u>488</u>
404.000 Facilities Income				
404.101 Parsonage Rental	10,700	11,200	!	(500)
404.102 Room & Equip. Use Income	900	664	✔	236
	<u>11,600</u>	<u>11,864</u>	!	<u>(264)</u>
410.000 Serving Others Income				
410.101 Community Kitchen Local	2,007	1,400	✔	607
	<u>2,007</u>	<u>1,400</u>	✔	<u>607</u>
415.00 New Century Fund Withdrawal				
	0	0	✔	0
Total Unrestricted Income	<u>145,711</u>	<u>131,264</u>	✔	<u>14,447</u>
Expenses				
500.000 Pastor				
500.101 Pastor Salary	\$25,333	\$25,334	✔	(\$1)
500.102 Pastor Annuity	12,000	12,000	✔	0
500.103 Pastor Housing Allowance	17,600	17,600	✔	0
500.104 Pastor Mileage Reimbursement	0	336	✔	(336)
500.105 Pastor Continuing Ed	1,000	664	!	336
500.106 Pastor Professional Expenses	147	336	✔	(189)
500.113 Pastor Sabbatical Fund	0	0	✔	0
	<u>56,080</u>	<u>56,270</u>	✔	<u>(190)</u>

**First Congregational Church of Woodstock
Detail of Operating Income & Expenses**

Data as of 9/6/22

	Actual	Budget		
	Year-to-Date	Year-to-Date		
	<u>8/31/2022</u>	<u>8/31/2022</u>		<u>Difference</u>
502.000 Worship				
502.101 Music Director salary	4,588	5,336	✓	(748)
502.102 Organist salary	5,311	5,336	✓	(25)
502.103 Organist substitutes	200	600	✓	(400)
502.104 Music Misc. Expenses	0	504	✓	(504)
502.107 Instrument Repair	3	264	✓	(261)
502.109 Hospitality/Catering	175	200	✓	(25)
502.110 Diaconate expenses	115	504	✓	(389)
502.111 Preacher Honoraria	0	536	✓	(536)
	<u>10,392</u>	<u>13,280</u>	✓	<u>(2,888)</u>
503.000 Faith Formation				
503.101 Faith Formation Director salary	756	4,000	✓	(3,244)
503.103 Faith Formation materials/ministry	154	350	✓	(196)
	<u>910</u>	<u>4,350</u>	✓	<u>(3,440)</u>
504.000 Office				
504.101 Clerk stipend	0	0	✓	0
504.102 Treasurer stipend	0	0	✓	0
504.104 Communications Coord. salary	8,125	8,100	!	25
504.107 Payroll taxes	1,437	1,368	!	69
504.108 Workers' Comp Insurance	0	0	✓	0
504.109 Office Supplies	1,060	1,336	✓	(276)
504.110 Telephone/Internet	1,549	1,536	!	13
504.111 Professional Services	891	640	!	251
504.112 Staff Professional Development	0	168	✓	(168)
504.113 Special Purpose	0	0	✓	0
504.115 Publicity	0	264	✓	(264)
504.116 Mileage Reimbursement	0	136	✓	(136)
504.117 Tech Equip, Licenses, Services	241	664	✓	(423)
504.121 Copier	1,802	2,064	✓	(262)
	<u>15,105</u>	<u>16,276</u>	✓	<u>(1,171)</u>

**First Congregational Church of Woodstock
Detail of Operating Income & Expenses**

Data as of 9/6/22

	Actual	Budget		
	Year-to-Date	Year-to-Date		
	<u>8/31/2022</u>	<u>8/31/2022</u>		<u>Difference</u>
505.000 Facilities				
505.101 Property Insurance	3,700	7,052	✔	(3,352)
505.102 Fuel Expense	6,951	5,668	✘	1,283
505.103 Electricity Expense	1,265	1,832	✔	(567)
505.104 Maintenance	29,356	9,000	✘	20,356
505.105 Grounds maint.	25	6,500	✔	(6,475)
505.108 Parsonage Maint.	700	5,000	✔	(4,300)
505.109 Parsonage Property Tax	4,685	5,000	✔	(315)
505.111 Water System Maint.	552	864	✔	(312)
505.120 Plant, Property & Equip. Exp.	590	664	✔	(74)
	<u>47,824</u>	<u>41,580</u>	✘	<u>6,244</u>
506.000 Serving Others				
506.101 SNEUCC Contribution	4,206	4,206	✔	0
506.103 Windham dues	0	0	✔	0
506.104 Community Kitchen	1,660	1,400	!	260
506.105 Outreach Program Expenses	150	136	!	14
506.106 Outreach Missions	1,275	2,664	✔	(1,389)
	<u>7,291</u>	<u>8,406</u>	✔	<u>(1,115)</u>
Total Unrestricted Expenses	<u>137,602</u>	<u>140,162</u>	✔	<u>(2,560)</u>
Unrestricted Net Income/(Expense)	<u>\$8,109</u>	<u>(\$8,898)</u>	✔	<u>17,007</u>

NOTE: Unrestricted income & expenses exclude Restricted and Capital Fund items including \$36k of the total \$44k of sanctuary painting expenses in 2022. These are reported separately. \$8k of grant-funded sanctuary painting expense is included in Facilities expenses.

First Congregational Church of Woodstock

Restricted & Capital Funds Financial Comments – Year to Date August 2022

Summary

- This month we have added to our report the transactions and balances of the “New Century” Fund, which provides recurring investment income to support the church’s ministry. The “Historical Cost” line shows the value of the fund as of 12/31/21 and the 2022 dividend income that was reinvested. The “Market Value Adjustment” line shows the unrealized gain/(loss) in market value for this year, which is a loss of \$30,309 or about 12% through 7/31/22 (the most recent information received). We invest with a long-term perspective anticipating long-term growth that will provide valuable support to the church’s ministry in future years.

Funds with Significant Activities

- We have adjusted the 12/31/21 balance brought forward in the Deacons’ Fund to include the balances in the two Deacons Fund checking accounts that were previously maintained separately by the deacons and not included in the church’s monthly financial reports. Transfers of funds between the church’s main checking account and the Deacons Fund checking accounts are no longer reported as income and expenses for 2022, revising the figures previously reported for this year.
- Prepaid pledges of \$55k were released to operating income in January.
- Other Designated Funds includes proceeds from special gifts or fundraising for the Daily Bread Food Pantry, Greenpeace, Heifer International, UCC Ukraine Relief (\$1,000 from the tag sale), Woodstock Academy Foundation Fund for Displaced Students and another \$1,000 from the tag sale that is being retained for a project under discussion with Woodstock Academy to support Ukrainian students.
- \$36k of sanctuary repainting costs was funded by the Trustees Angel Fund established in 2021, including a \$7,500 grant received last year from Preservation Connecticut.
- Our bookkeeper Toby Bishop, a CPA, has been analyzing our restricted fund accounting since 12/31/15. We have booked several adjustments to help ensure restricted funds are appropriately segregated. Other adjustments may arise as the analysis progresses.

We continue to welcome gifts to our main restricted and capital funds while we work to simplify and reduce the number of funds for which extra administrative work is required.

Tom Duggan, Treasurer

**First Congregational Church of Woodstock
Restricted, Capital & Investment Funds
As of August 31, 2022**

Data as of 9/8/22

	Per Balance Sheet as of 12/31/21	Booked Adjustments	Income YTD 8/31/2022	Expenses YTD 8/31/2022	Per Books as of 8/31/2022	Proposed Adjustments	As Adjusted as of 8/31/2022	Notes
Special Purpose Restricted Funds								
310.100 Deacons Charitable Giving Fund	\$2,592	\$9,596	\$2,390	\$2,060	\$12,518	\$1,267	\$13,785	(1) (2)
310.204 Wm Cuff Youth Ministry Fund	16,087	(225)			15,862		15,862	(2)
310.205 Honoraria Fund	50	(50)			0		0	(2)
310.207 Christian Ed Fund	805				805		805	
310.209 Music Fund	3,560			779	2,781		2,781	
310.211 Ministerial Contingency Fund	2,971	1,900			4,871		4,871	(2)
310.212 Sabbatical Fund	10,145	(660)			9,485		9,485	(2)
310.213 Library Fund	250				250		250	
310.214 Mavis/Hescock Flowers Fund	1,637	(20)			1,617		1,617	(2)
310.215 Carroll Fund for Poor	1,267	(20)			1,247	(1,247)	(0)	(1)
310.216 Williams Summer Camp/Conf Fund	2,465	(898)			1,567		1,567	(2)
310.217 Richardson Tree Lighting Fund	11,970	(235)		875	10,860		10,860	(2)
310.219 Prepaid Pledges	55,120			55,120	0		0	
310.220 Community Kitchen	3,351	1,405			4,756		4,756	(2)
310.300 Other Designated Funds	0	50	2,599	1,599	1,050		1,050	(2)(3)
	112,270	10,843	4,989	60,433	67,669	20	67,689	
Capital Funds								
320.100 Capital Improvement Reserve	3,300	15,836			19,136		19,136	(4)
320.115 Capital Improvement-Parsonage	4,658	(4,658)			0		0	(4)
320.200 Plant, Property & Equip. Fund	11,178	(11,178)			0		0	(4)
320.300 Trustees Angel Fund	26,062	12,089	428	38,580	(0)		(0)	(5) (6)
	45,199	12,089	428	38,580	19,136	0	19,136	
Unrestricted Investments								
180.201 Investments - Historical Cost	355		1		356		356	
180.202 Investments - Market Value Adj.	2,635		16		2,651		2,651	
	2,990	0	17	0	3,007	0	3,007	
New Century Fund								
Invested Assets:								
130.101 New Century Fund - Historical Cost	259,603		2,789		262,392		262,392	(7)
130.102 New Century Fd - Market Value Adj.	0			30,309	(30,309)		(30,309)	(7)
	259,603	0	2,789	30,309	232,083	0	232,083	
Uninvested Assets:								
330.000 Restricted Investment Funds	5,680		10,600	0	16,280		16,280	(8)
	\$265,284	\$0	\$13,389	\$30,309	\$248,363	\$0	\$248,363	

Notes:

Balances are subject to adjustment arising from an ongoing analysis of restricted fund accounting since 12/31/15. Income for 2022 has been revised due to adjustments to record income for certain funds in earlier periods.

- (1) Income & expenses have been restated to exclude transfers between church bank accounts. Opening balance has been adjusted to include Deacons Fund checking account balances not previously recorded in QuickBooks. Proposed adjustment is to designate most of three 2022 benevolence disbursements as being funded from the Carroll Fund for the Poor.
- (2) Adjustment results from an analysis of fund transactions since 12/31/2015.
- (3) \$1,000 of balance is 50% of Ukraine tag sale, retained for projects w/Ukrainian students at Woodstock Academy. \$50 is for garden planting.
- (4) Adjustment consolidated capital reserves into one account for simplification and ease of review.
- (5) Expenses relate to sanctuary repainting project. Split between Angel Fund, Capital Reserve and Maintenance expenses has been revised.
- (6) Adjustment reflects addition of brokerage account to QuickBooks records (2021 donation of stock for sanctuary painting project).
- (7) Represents dividend income and unrealized 2022 gain/(loss) in market value of New Century Fund invested assets only through July 31, 2022.
- (8) Represents New Century Fund contributions temporarily held in cash in the restricted bank account.