

First Congregational Church of Woodstock
Operating Fund Financial Comments – Year to Date July 2023

Summary

- The reports show operating net income of \$4k compared to budgeted net expenses of \$5k, so \$9k better than budget. \$3k is due to income being better than budget; \$6k is due to expenses being lower than budget. However, expenses in some areas appear to be lower due to timing differences and are expected to catch up to some extent as the year progresses. It is hard to judge how much expense savings will remain at year-end.

Income

- Pledge income and other contributions are \$2k better than budget. We recognized \$22k of 2023 prepaid pledges as income in Jan-July. The remainder is shown on the Statement of Financial Position as Deferred Income - Prepaid Pledges.
- Restricted fund support for Faith Formation in July included \$423 from the William Cuff Youth Ministry Fund as well as \$377 from the Williams Summer Camp/Conference Fund to fund July expenses for the Vacation Bible School.
- Within Faith in Action, in July we reclassified \$1,300 of Community Kitchen local fund net income to CK's restricted fund. Historically we did this only at year end but we did it earlier to avoid overstating overall operating income for the next several months.
- We budgeted for rental income from Tiny Forest Childcare LLC to start on March 1st, but their opening was delayed until July 5th. This resulted in a shortfall of rental income of \$4,542. The impact was partly offset by a contribution of almost \$2k from a vendor to resolve a dispute and by income from additional rentals.

Expenses

- In July we implemented monthly accrual accounting for our insurance expenses as we had previously done for other areas. We recorded a prepayment of \$3,498 and reduced previously reported insurance expenses by this amount. We revised the monthly allocation of our 2023 insurance budget to reflect this approach.
- The Facilities team continues to manage its expenses in line with the operating budget. Other areas have expenses that total \$6k lower than budget, but these appear to include some timing differences that may get caught up by year-end.

Thank you for your generous support that makes possible our worship and pastoral care and enables us to serve people in need.

Tom Duggan, Treasurer

First Congregational Church of Woodstock
Congregation-Designated, Endowment & Donor-Restricted Funds
Financial Comments – Year to Date July 2023

Congregation-Designated Reserve Funds

- In July our reserve funds received interest income from two maturing CDs. We are holding the proceeds from these CDs in cash to help fund upcoming major repairs including replacing the Palladian window in Harrison Hall (also funded in part by Angel Funds) and some repaving in the parking area.

Endowment (New Century) Fund

- The market value of this fund rose by \$9k in June, making a total \$15k increase for January through June. This is an improved though overall somewhat slow recovery from last year's \$40k decline, reflecting general market conditions. We report on this fund one month in arrears due to the time it takes for statements to be issued by the investment fund managers.

Donor-Designated Restricted Funds

- In July we drew \$423 from the William Cuff Youth Ministry Fund as part of \$5k budgeted to be drawn from the William Cuff Youth Ministry Fund and Faith Formation Fund in 2023 to support Faith Formation. We also drew \$377 from the Williams Summer Camp/Conference Fund to fund July expenses for the Vacation Bible School program. We are thankful to the donors in years past who contributed to these funds. We appreciate the opportunity to put these funds to work in ministry.
- We continue to warmly welcome gifts to our main ministry, Angel and Endowment (New Century) funds while we work to reduce the number of funds for which extra administrative work is required.

Thank you for your generous support.

Tom Duggan
Treasurer

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

Data as of 7/31/23

	Actual	Budget			
	Year-to-Date	Year-to-Date			
	<u>7/31/2023</u>	<u>7/31/2023</u>		<u>Difference</u>	<u>Notes</u>
Income					
Pledges	\$86,724	\$84,581	✔	\$2,143	(1)
Rites (Baptisms etc.)	1,350	1,050	✔	300	
Other Contributions	2,927	3,206	!	(279)	
Total Contributions	91,001	88,837	✔	2,164	
Fundraising	550	143	✔	407	
Faith Formation	3,595	3,590	✔	5	(2)
Community Care	34	0	✔	34	
Faith in Action	1,753	2,481	!	(728)	(3)
Facilities Income	14,601	16,056	✘	(1,455)	(4)
Operating Grant Income	24,115	21,734	✔	2,381	(5)
Net Investment Inc/(Exp)	1,100	650	✔	450	
	136,749	133,491	✔	3,258	
Expenses					
Worship	5,639	7,967	✔	(2,328)	(6)
Faith Formation	3,595	3,590	!	5	
Community Care	34	1,182	✔	(1,148)	
Faith in Action	2,049	4,050	✔	(2,001)	
Pastor	53,088	53,775	✔	(687)	(6)
Office	13,132	13,578	✔	(446)	
Facilities	33,264	33,057	!	207	(6)
Contribution to Reserve Funds	21,734	21,734	✔	0	(5)
	132,535	138,933	✔	(6,398)	
Unrestricted Net Income/(Expenses)	\$4,214	(\$5,442)	✔	\$9,656	

Notes:

Line items with actual/budget year-to-date activity are shown. Rounding differences may arise due to cents not shown.

- (1) Prepaid pledges are recognized in income over the months to which they apply. The amount not yet recognized in income is shown on the Statement of Financial Position as Deferred Income - Prepaid Pledges.
- (2) In July we drew \$423 from the William Cuff Youth Ministry Fund as part of the \$5k in 2023 budgeted support from restricted funds for Faith Formation. We also drew \$377 from the Williams Summer Camp/Conf Fund to fund the Vacation Bible School program.
- (3) In July we reclassified \$1,300 in Community Kitchen local fund income to CK's restricted fund. Historically we have reallocated surplus CK local income to the CK restricted fund at year end. We did it sooner to avoid significantly overstating Operating Fund results. CK's local fund expenses have been lower than expected.
- (4) Facilities income is impacted by \$4k due to a delay in Tiny Forest LLC's startup of a daycare facility in our nursery. Budgeted to open March 1st, they actually opened July 5th, with a shortfall in budgeted rental income of \$4,542. The impact was partly offset by \$2k contributed by a vendor to resolve a dispute.
- (5) In June we received \$24k from the government's Employee Retention Credit for 2020 and 2021, including \$2k of unbudgeted interest. \$22k has been contributed to several reserve funds per the 2023 budget.
- (6) Some differences are due to use of 2022 pay rates and salary/benefits mix for January as the 2023 budget was not approved by the congregation until January 29th. All pay complied with the congregation's budgets.
- (7) Operating income & expenses exclude Congregation-Designated, Endowment and Donor-Restricted Fund items including major repair expenses. These are reported separately.

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

Data as of 7/31/23

	Actual	Budget			
	Year-to-Date	Year-to-Date		Difference	Notes
	7/31/2023	7/31/2023			
Income					
Contributions					
401.01 Pledges	\$86,724	\$84,581	✓	\$2,143	(1)
401.02 Rites (Baptisms etc.)	1,350	1,050	✓	300	
401.03 Other Contributions	2,927	3,206	!	(279)	
	<hr/>	<hr/>	<hr/>	<hr/>	
	91,001	88,837	✓	2,164	
Fundraising					
402.01 Chicken Barbeque Income	0	0	✓	0	
402.01EXPS Expenses for Chicken BBQ	(1,294)	(1,300)	✓	6	
Chicken BBQ Net Income	<hr/>	<hr/>	<hr/>	<hr/>	
	(1,294)	(1,300)	✓	6	
402.03 Arts Festival Income	0	0	✓	0	
402.03EXPS Expenses for Arts Festival	(59)	(57)	!	(2)	
Arts Festival Net Income	<hr/>	<hr/>	<hr/>	<hr/>	
	(59)	(57)	!	(2)	
402.04 Italian Dinner	2,586	2,000	✓	586	
402.04EXPS Expenses for Italian Dinner	(715)	(500)	!	(215)	
Italian Dinner Net Income	<hr/>	<hr/>	<hr/>	<hr/>	
	1,871	1,500	✓	371	
	<hr/>	<hr/>	<hr/>	<hr/>	
	550	143	✓	407	
Faith Formation Income					
404.01 Faith Formation Contributions	10	0	✓	10	
404.02 FF Support from Restricted/Reserve Funds	3,585	3,590	!	(5)	(2)
	<hr/>	<hr/>	<hr/>	<hr/>	
	3,595	3,590	✓	5	
Community Care Income					
405.02 CC Support from Restricted/Reserve Funds	34	0	✓	34	
	<hr/>	<hr/>	<hr/>	<hr/>	
	34	0	✓	34	
Faith in Action Ministry Income					
406.01 Faith in Action Contributions	1,138	1,200	!	(62)	
406.03 Community Kitchen Local Income	615	1,281	!	(666)	(3)
	<hr/>	<hr/>	<hr/>	<hr/>	
	1,753	2,481	!	(728)	
Facilities Income					
409.01 Parsonage Rental	9,800	9,800	✓	0	
409.02 Daycare Rental	958	5,500	✗	(4,542)	(4)
409.03 Room & Equip. Use Income	1,875	756	✓	1,119	
409.05 Facilities Contributions	1,968	0	✓	1,968	(5)
	<hr/>	<hr/>	<hr/>	<hr/>	
	14,601	16,056	✗	(1,455)	
Operating Grant Income					
	24,115	21,734	✓	2,381	(6)
Unrestricted Investment Income					
440.01 Interest/Dividend Inc on Unrestricted Invs	1,138	650	✓	488	
	<hr/>	<hr/>	<hr/>	<hr/>	
	1,100	650	✓	450	
	<hr/>	<hr/>	<hr/>	<hr/>	
Total Operating Income	<hr/>	<hr/>	<hr/>	<hr/>	
	136,749	133,491	✓	3,258	

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

Data as of 7/31/23

	Actual	Budget			
	Year-to-Date	Year-to-Date		Difference	Notes
	<u>7/31/2023</u>	<u>7/31/2023</u>			
Expenses					
Worship					
503.01 Music Director Salary	3,557	4,751	✔	(1,194)	(7)
503.02 Worship Licenses & Technology	226	1,000	✔	(774)	
503.03 Guest Musicians	480	480	✔	0	
503.04 Guest Preachers	150	250	✔	(100)	
503.05 Other Worship Resources	918	1,290	✔	(372)	
503.06 Hospitality/Catering	308	196	!	112	
	<u>5,639</u>	<u>7,967</u>	✔	<u>(2,328)</u>	
Faith Formation					
504.01 Children & Family Coordinator salary	3,150	3,150	✔	0	
504.02 Faith Formation materials/ministry	445	440	!	5	
	<u>3,595</u>	<u>3,590</u>	!	<u>5</u>	
Community Care					
505.01 Community Care Program	34	888	✔	(854)	
505.02 Congregational Care	0	294	✔	(294)	
	<u>34</u>	<u>1,182</u>	✔	<u>(1,148)</u>	
Faith in Action					
506.01 Faith in Action Missions	1,138	2,310	✔	(1,172)	
506.02 Faith in Action Program	234	294	✔	(60)	
506.03 Community Kitchen Local Expenses	512	1,281	✔	(769)	(3)
506.05 SNEUCC Contribution	165	165	✔	0	
	<u>2,049</u>	<u>4,050</u>	✔	<u>(2,001)</u>	
Pastor					
507.01 Pastor Salary	26,667	27,125	✔	(458)	(7)
507.02 Pastor Housing Allowance	12,020	11,750	!	270	(7)
507.03 Pastor Annuity	13,500	14,000	✔	(500)	(7)
507.04 Pastor Expense Reimbursement	735	700	!	35	
507.05 Pastor Continuing Education	166	200	✔	(34)	
	<u>53,088</u>	<u>53,775</u>	✔	<u>(687)</u>	
Office					
508.01 Communications Coord. Salary	6,308	6,255	!	53	
508.02 Payroll Taxes	996	1,102	✔	(106)	
508.05 Copier	1,603	1,665	✔	(62)	
508.06 Telephone/Internet	1,421	1,466	✔	(45)	
508.07 Office Supplies	1,085	1,393	✔	(308)	
508.08 Professional Services	1,528	1,197	!	331	
508.09 Tech Equip, Licenses, Services	191	350	✔	(159)	
508.10 Publicity	0	150	✔	(150)	
	<u>13,132</u>	<u>13,578</u>	✔	<u>(446)</u>	

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

Data as of 7/31/23

	Actual	Budget			
	Year-to-Date	Year-to-Date		Difference	Notes
	<u>7/31/2023</u>	<u>7/31/2023</u>			
Facilities					
509.01 Property Insurance	8,160	8,162	✔	(2)	
509.02 Fuel Expense	5,302	9,000	✔	(3,698)	
509.03 Electricity Expense	1,347	1,275	!	72	
509.04 Property Taxes	4,962	5,000	✔	(38)	
509.05 Repairs	4,903	3,500	✘	1,403	(8)
509.06 Contract Cleaning	3,491	3,600	✔	(109)	
509.07 Other Recurring Maintenance	5,099	2,520	✘	2,579	(5)
	<u>33,264</u>	<u>33,057</u>	!	207	
Contributions to Reserve Funds					
550.01 Contrib. to Ministry Reserve Fund	8,355	8,355	✔	0	(6)
550.02 Contrib. to Contingency Reserve Fund	5,024	5,024	✔	0	(6)
550.03 Contrib. to Capital Improvements Reserve Fund	8,355	8,355	✔	0	(6)
	<u>21,734</u>	<u>21,734</u>	✔	0	
Total Operating Expenses	<u>132,535</u>	<u>138,933</u>	✔	(6,398)	
Net Operating Income/(Expense)	<u>\$4,214</u>	<u>(\$5,442)</u>	✔	\$9,656	

Notes:

Only line items with actual or budgeted year-to-date activity are shown. Rounding differences may arise due to cents not shown.

(1) Prepaid pledges are recognized in income over the months to which they apply. The amount of prepaid pledges not yet recognized in income is shown on the Statement of Financial Position as Deferred Income - Prepaid Pledges.

(2) In July we drew \$423 from the William Cuff Youth Ministry Fund as part of the \$5k in 2023 budgeted support from restricted funds for Faith Formation. We also drew \$377 from the Williams Summer Camp/Conf Fund to fund the Vacation Bible School program.

(3) In July we reclassified \$1,300 in Community Kitchen local fund income to CK's restricted fund. Historically we have reallocated surplus CK local income to the CK restricted fund at year end. We did it sooner to avoid significantly overstating Operating Fund results. CK's local fund expenses have been lower than expected.

(4) Facilities income is impacted by \$4k due to a delay in Tiny Forest LLC's startup of a daycare facility in our nursery. Budgeted to open March 1st, they actually opened July 5th, with a shortfall in budgeted rental income of \$4,542. The impact was partly offset by \$2k contributed by a vendor to resolve a dispute.

(5) Facilities Contributions \$2k represents the value of services to be provided by a vendor to resolve a dispute. A matching amount is included in Other Recurring Maintenance expenses.

(6) In June we received \$24k from the government's Employee Retention Credit for 2020 and 2021, including \$2k of unbudgeted interest. \$22k has been contributed to several reserve funds per the 2023 budget.

(7) Some differences are due to use of 2022 pay rates and salary/benefits mix for January as the 2023 budget was not approved by the congregation until January 29th. All pay complied with the congregation's budgets.

(8) Operating income & expenses exclude Congregation-Designated, Endowment and Donor-Restricted Fund items including major repair expenses. These are reported separately.

First Congregational Church of Woodstock
Congregation-Designated, Endowment & Donor-Restricted Funds
Year to July 31, 2023

Data as of 7/31/23

	Balance as of <u>12/31/2022</u>	Income Year-to-Date <u>7/31/2023</u>	Expenses Year-to-Date <u>7/31/2023</u>	Transfers Year-to-Date <u>7/31/2023</u>	Balance as of <u>7/31/2023</u>	<u>Notes</u>
Congregation-Designated Reserve Funds						
310.01 Ministry Reserve Fund	\$0	8,370	\$0		\$8,370	
310.02 Contingency Reserve Fund	3,918	5,074	0		8,992	
310.03 Capital Improvements Reserve Fund	29,588	8,539	0		38,127	
310.04 Special Purpose Reserve Fund [Parsonage Sale]	9,000	94	0		9,094	
310.05 Pastor Sabbatical Reserve Fund	9,485	240	0		9,725	
	\$51,991	\$22,316.00	\$0	\$0	\$74,307	
Endowment (New Century) Fund						
180.11 Endowment - Cost	\$217,546	\$2,674		\$9,400	\$229,620	(1)
180.12 Endowment - Market Value Adj.	23,937	15,350			39,287	(1)
330.02 Endowment - Held at Inv. Managers	241,483	18,024	0	9,400	268,907	
330.02 Endowment - Cash Held at FCCW	9,400			(9,400)	0	
	\$250,883	\$18,024	\$0	\$0	\$268,907	
Donor-Restricted Funds						
340.01 Deacons Charitable Giving Fund	\$13,522	\$435	(\$2,316)		\$11,640	
340.02 Community Care Ministry Fund	2,001	250	(34)		2,217	
340.03 Faith Formation Ministry Fund	805	0	(445)		360	(2)
340.05 Community Kitchen Fund	5,019	1,300	(1,000)		5,319	
340.06 Music Fund	2,476	0	(844)		1,632	
340.07 Angel Fund	7,800	0	0		7,800	
340.08 William Cuff Youth Ministry Fund	15,842	0	(2,763)		13,079	(2)
340.09 Williams Summer Camp/Conf Fund	1,568	0	(377)		1,191	
340.10 Mavis Hescocock Flowers Fund	961	0	(160)		801	
340.11 Richardson Tree Lighting Fund	10,860	0	(1,000)		9,860	
340.15 Other Designated Funds	1,050	3,155	(4,105)		100	
	\$61,904	\$5,140	(\$13,045)	\$0	\$53,999	

Notes:

Line items without year-to-date activity or balances may not be shown. Rounding differences may arise due to cents not shown.

(1) Represents dividend income and unrealized 2023 gain/(loss) in market value of New Century Fund invested assets only through June 30, 2023. We report these items one month in arrears due to the delay in receiving statements from the investment fund managers. Cost figures represent the balance as of 12/31/15 plus contributions and dividends less withdrawals since then.

(2) In July we drew \$423 from the William Cuff Youth Ministry Fund as part of the 2023 budgeted support for Faith Formation. We also drew \$377 from the Williams Summer Camp/Conf Fund to fund the Vacation Bible School program.

First Congregational Church of Woodstock
Statement of Financial Position
As of July 31, 2023

Data as of 7/31/23

	<u>Total</u>	<u>Notes</u>
Assets:		
Current Assets		
Cash and Cash Equivalents		
Operating Checking	\$35,448	
Restricted Checking:		
Donor-Restricted Funds	3,999	
Congregation-Designated Reserve Funds	64,307	
	68,306	
Chicken BBQ Checking	4,586	
	108,340	
Prepayments	7,095	
Accounts Receivable	292	
Short-term Investments (CDs < 1 yr):		
Unrestricted Funds	56,543	
Congregation-Designated Funds	10,000	
Donor-Restricted Funds	50,000	
	116,543	
Total Current Assets	232,270	
Noncurrent Assets		
Long-term Investments		
Endowment (New Century) Fund		
Assets Held by Investment Managers	268,907	(1)
Land, buildings & equipment (Not included)	0	
Total Noncurrent Assets	268,907	
Total Assets	\$501,177	
Liabilities:		
Current Liabilities		
Accounts Payable & Accrued Expenses	1,874	
Daycare - Security Deposit/Deferred Rent	1,100	
Deferred Income - Arts/Crafts Fair	2,897	
Deferred Income - Prepaid Pledges	17,058	(2)
Total Liabilities	22,929	
Net Assets		
Unrestricted Funds	81,036	
Congregation-Designated Funds:		
Endowment (New Century) Fund	268,907	(1)(3)
Reserve Funds	74,307	(3)
Donor-restricted Funds	53,999	(3)
Total Net Assets	478,249	
Total Liabilities and Net Assets	\$501,177	

Notes:

Rounding differences may arise due to cents not shown.

(1) Excludes July 2023 dividend income and market value change to be added when statement received in late Aug.

(2) Prepaid pledges are recognized in income over the months to which they apply.

(3) For details see the Congregation-Designated, Endowment & Donor-Restricted Funds report.