

First Congregational Church of Woodstock
Operating Fund Financial Comments – Year to September 30, 2023

Summary

- The reports show operating net income of \$12k compared to budgeted net expenses of \$1k, so \$13k better than budget. However, expenses in some areas are expected to catch up to some extent as the year progresses.
- In September we spent \$32k for major repairs not funded by our operating budget – a reminder that maintaining our facilities is dependent on support beyond that of our regular budgeted income. See the financial comments for Congregation-Designated, Endowment & Donor-Restricted Funds for further details.

Income

- Pledge income and other contributions are close to budget. We recognized \$28k of 2023 prepaid pledges as income in Jan-Sep. The remainder is shown on the Statement of Financial Position as Deferred Income - Prepaid Pledges.
- Fundraising income includes \$12k estimated net proceeds from the Chicken BBQ at the Woodstock Fair in September, subject to final bills currently awaited from vendors. Many thanks to John Cimochoowski and his big team of volunteers for achieving this despite an unexpected downturn in Fair attendance this year.
- Restricted fund support for Faith Formation in September included \$398 from the William Cuff Youth Ministry Fund and \$362 from the Faith Formation Fund.
- 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

- Worship expenses are \$3k lower than budget mostly due to the Music Director position being vacant for June through August.
- Faith in Action program expenses are \$3k lower than budget due in part to decisions on mission donations now being scheduled for October.
- The Facilities team continues to manage its expenses in line with the operating budget overall while coping with a variety of surprises on individual expense line items.

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
Summary of Operating Income & Expenses**

Data as of 9/30/23

	Actual Year-to-Date 9/30/2023	Budget Year-to-Date 9/30/2023		Difference	Notes
Income					
Pledges	\$109,162	\$108,747	✔	\$415	(1)
Rites (Baptisms etc.)	1,350	1,350	✔	0	
Other Contributions	3,238	4,122	⚠	(884)	
Total Contributions	113,750	114,219	⚠	(469)	
Fundraising	13,818	12,443	✔	1,375	
Faith Formation	5,356	4,805	✔	551	(2)
Community Care	34	0	✔	34	
Faith in Action	2,256	2,847	⚠	(591)	
Facilities Income	19,726	21,272	✘	(1,546)	(3)
Operating Grant Income	24,115	21,734	✔	2,381	(4)
Net Investment Inc/(Exp)	1,572	870	✔	702	
	180,627	178,190	✔	2,437	
Expenses					
Worship	6,606	9,921	✔	(3,315)	(5)
Faith Formation	5,395	5,400	✔	(5)	
Community Care	100	1,710	✔	(1,610)	
Faith in Action	10,859	14,383	✔	(3,524)	
Pastor	68,800	69,487	✔	(687)	(5)
Office	16,675	18,088	✔	(1,413)	
Facilities	38,367	38,679	✔	(312)	
Contribution to Reserve Funds	21,734	21,734	✔	0	(4)
	168,536	179,402	✔	(10,866)	
Capital Improvements					
Major Repairs	31,795	0	✘	31,795	(7)
Less: Contributions from Restricted & Designated Funds	(31,795)	0	✔	(31,795)	(7)
	0	0	✔	0	
Unrestricted Net Income/(Expenses)	\$12,091	(\$1,212)	✔	\$13,303	

Notes:

Line items with actual/budget year-to-date activity are shown. Rounding differences may arise due to cents not shown. Operating income & expenses exclude Congregation-Designated, Endowment and Donor-Restricted Fund items. These are reported separately.

- (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 September we drew \$398 from the William Cuff Youth Ministry Fund and \$362 from the Faith Formation Fund as part of the \$5k in 2023 budgeted support from restricted funds for Faith Formation.
- (3) 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.
- (4) 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.
- (5) 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) In September we spent \$16k to repave part of the parking lot, funded by the Capital Improvements Reserve Fund. We also made a \$12k partial payment for the replacement Palladian window for Harrison Hall, funded \$8k from the Angel Fund and \$4k from the Capital Improvements Reserve. We also spent \$4k to purchase a refurbished commercial dishwasher to replace our old one that had had expired, generously funded by Community Kitchen Restricted Fund.

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

Data as of 9/30/23

	Actual Year-to-Date 9/30/2023	Budget Year-to-Date 9/30/2023	Difference	Notes
Income				
Contributions				
401.01 Pledges	\$109,162	\$108,747	✔	\$415 (1)
401.02 Rites (Baptisms etc.)	1,350	1,350	✔	0
401.03 Other Contributions	3,238	4,122	!	(884)
	113,750	114,219	!	(469)
Fundraising				
402.01 Chicken Barbeque Income	22,980	21,000	✔	1,980
402.01EXPS Expenses for Chicken BBQ	(10,980)	(10,000)	!	(980)
Chicken BBQ Net Income	12,000	11,000	✔	1,000
402.03 Arts Festival Income	0	0	✔	0
402.03EXPS Expenses for Arts Festival	(85)	(57)	!	(28)
Arts Festival Net Income	(85)	(57)	!	(28)
402.04 Italian Dinner	2,586	2,000	✔	586
402.04EXPS Expenses for Italian Dinner	(715)	(500)	!	(215)
Italian Dinner Net Income	1,871	1,500	✔	371
	13,818	12,443	✔	1,375
Faith Formation Income				
404.01 Faith Formation Contributions	10	0	✔	10
404.02 FF Support from Restricted/Reserve Funds	5,346	4,805	✔	541 (2)
	5,356	4,805	✔	551
Community Care Income				
405.02 CC Support from Restricted/Reserve Funds	34	0	✔	34
	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	1,118	1,647	!	(529)
	2,256	2,847	!	(591)
Facilities Income				
409.01 Parsonage Rental	12,600	12,600	✔	0
409.02 Daycare Rental	3,158	7,700	✘	(4,542) (3)
409.03 Room & Equip. Use Income	2,000	972	✔	1,028
409.05 Facilities Contributions	1,968	0	✔	1,968 (4)
	19,726	21,272	✘	(1,546)
Operating Grant Income	24,115	21,734	✔	2,381 (5)
Unrestricted Investment Income				
440.01 Interest/Dividend Inc on Unrestricted Invs	1,610	870	✔	740
	1,572	870	✔	702
Total Operating Income	180,627	178,190	✔	2,437

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

Data as of 9/30/23

	Actual Year-to-Date 9/30/2023	Budget Year-to-Date 9/30/2023	Difference	Notes
Expenses				
Worship				
503.01 Music Director Salary	4,524	6,024	✔ (1,500)	(6)
503.02 Worship Licenses & Technology	226	1,200	✔ (974)	
503.03 Guest Musicians	480	480	✔ 0	
503.04 Guest Preachers	150	375	✔ (225)	
503.05 Other Worship Resources	918	1,590	✔ (672)	
503.06 Hospitality/Catering	308	252	! 56	
	6,606	9,921	✔ (3,315)	
Faith Formation				
504.01 Children & Family Coordinator salary	4,950	4,760	! 190	
504.02 Faith Formation materials/ministry	445	640	✔ (195)	
	5,395	5,400	✔ (5)	
Community Care				
505.01 Community Care Program	34	1,332	✔ (1,298)	
505.02 Congregational Care	66	378	✔ (312)	
	100	1,710	✔ (1,610)	
Faith in Action				
506.01 Faith in Action Missions	1,138	3,466	✔ (2,328)	
506.02 Faith in Action Program	234	378	✔ (144)	
506.03 Community Kitchen Local Expenses	644	1,647	✔ (1,003)	
506.04 Windham Association UCC Dues	251	300	✔ (49)	
506.05 SNEUCC Contribution	8,592	8,592	✔ 0	
	10,859	14,383	✔ (3,524)	
Pastor				
507.01 Pastor Salary	34,417	34,875	✔ (458)	(6)
507.02 Pastor Housing Allowance	15,377	15,106	! 271	(6)
507.03 Pastor Annuity	17,500	18,000	✔ (500)	(6)
507.04 Pastor Expense Reimbursement	895	860	! 35	
507.05 Pastor Continuing Education	611	646	✔ (35)	
	68,800	69,487	✔ (687)	
Office				
508.01 Communications Coord. Salary	8,093	8,145	✔ (52)	
508.02 Payroll Taxes	1,344	1,477	✔ (133)	
508.03 Workers' Comp Insurance	0	479	✔ (479)	
508.05 Copier	2,067	2,139	✔ (72)	
508.06 Telephone/Internet	1,827	1,918	✔ (91)	
508.07 Office Supplies	1,176	1,791	✔ (615)	
508.08 Professional Services	1,827	1,539	! 288	
508.09 Tech Equip, Licenses, Services	266	450	✔ (184)	
508.10 Publicity	0	150	✔ (150)	
	16,675	18,088	✔ (1,413)	

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

Data as of 9/30/23

	Actual Year-to-Date 9/30/2023	Budget Year-to-Date 9/30/2023	Difference	Notes
Facilities				
509.01 Property Insurance	10,492	10,494	✔	(2)
509.02 Fuel Expense	5,302	9,000	✔	(3,698)
509.03 Electricity Expense	1,804	2,135	✔	(331)
509.04 Property Taxes	4,962	5,000	✔	(38)
509.05 Repairs	5,139	4,500	!	639
509.06 Contract Cleaning	4,489	4,700	✔	(211)
509.07 Other Recurring Maintenance	6,179	2,850	✘	3,329 (4)
	38,367	38,679	✔	(312)
Contributions to Reserve Funds				
550.01 Contrib. to Ministry Reserve Fund	8,355	8,355	✔	0 (5)
550.02 Contrib. to Contingency Reserve Fund	5,024	5,024	✔	0 (5)
550.03 Contrib. to Capital Improvements Reserve Fund	8,355	8,355	✔	0 (5)
	21,734	21,734	✔	0
Total Operating Expenses	168,536	179,402	✔	(10,866)
Capital Improvements				
510.01 Major Repairs	31,795	0	✘	31,795 (7)
510.02 Less: Contributions from Restricted & Designated Funds	(31,795)	0	✔	(31,795) (7)
Net Operating Income/(Expense)	\$12,091	(\$1,212)	✔	\$13,303

Notes:

Only line items with actual or budgeted year-to-date activity are shown. Rounding differences may arise due to cents not shown. Operating income & expenses exclude Congregation-Designated, Endowment and Donor-Restricted Fund items. These are reported separately.

(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 September we drew \$398 from the William Cuff Youth Ministry Fund and \$362 from the Faith Formation Fund as part of the \$5k in 2023 budgeted support from restricted funds for Faith Formation.

(3) 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.

(4) 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.

(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) In September we spent \$16k to repave part of the parking lot, funded by the Capital Improvements Reserve Fund. We also made a \$12k partial payment for the replacement Palladian window for Harrison Hall, funded \$8k from the Angel Fund and \$4k from the Capital Improvements Reserve. We also spent \$4k to purchase a refurbished commercial dishwasher to replace our old one that had had expired, generously funded by Community Kitchen Restricted Fund.

First Congregational Church of Woodstock
Congregation-Designated, Endowment & Donor-Restricted Funds
Financial Comments – Year to September 30, 2023

Congregation-Designated Reserve Funds

- In September we disbursed \$16k from the Capital Improvements Reserve Fund to pay for repaving part of the parking lot (we wish we could have done the rest too but that requires another \$25k or so more than we have) and we paid \$4k from this fund for part of the cost of the replacement Palladian window to be installed in Harrison Hall.

Donor-Designated Restricted Funds

- In September we disbursed \$8k from the Angel Fund to pay for part of the cost of the replacement Palladian window to be installed in Harrison Hall. Thank you to our Angel Fund donors for your gifts.
- In September we disbursed \$4k from the Community Kitchen Fund to purchase a refurbished commercial dishwasher to replace our old one that expired. Many thanks to our Community Kitchen volunteers who made this purchase possible.
- In September we drew \$392 from the William Cuff Youth Ministry Fund and \$362 from the Faith Formation Fund as part of \$5k budgeted support for Faith Formation, thereby retiring the Faith Formation Fund. 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.

Endowment (New Century) Fund

- The market value of this fund fell by \$8k in August, making a net \$14k increase for January through August. This is slow and volatile partial 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.

Thank you for your generous support.

Tom Duggan

Treasurer

First Congregational Church of Woodstock
Congregation-Designated, Endowment & Donor-Restricted Funds
Year to September 30, 2023

Data as of 9/30/23

	Balance as of <u>12/31/2022</u>	Income Year-to-Date <u>9/30/2023</u>	Expenses Year-to-Date <u>9/30/2023</u>	Transfers Year-to-Date <u>9/30/2023</u>	Balance as of <u>9/30/2023</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	(19,724)		18,403	(1)
310.04 Special Purpose Reserve Fund [Parsonage Sale]	9,000	94	(920)		8,174	
310.05 Pastor Sabbatical Reserve Fund	9,485	240	0		9,725	
	\$51,991	\$22,316.00	(\$20,644)	\$0	\$53,663	
Endowment (New Century) Fund						
180.11 Endowment - Cost	\$217,546	\$3,522		\$9,400	\$230,468	(2)
180.12 Endowment - Market Value Adj.	23,937	14,525			38,462	(2)
330.02 Endowment - Held at Inv. Managers	241,483	18,047	0	9,400	268,930	
330.02 Endowment - Cash Held at FCCW	9,400			(9,400)	0	
	\$250,883	\$18,047	\$0	\$0	\$268,930	
Donor-Restricted Funds						
340.01 Deacons Charitable Giving Fund	\$13,522	\$477	(\$2,816)		\$11,183	
340.02 Community Care Ministry Fund	2,001	257	(34)		2,224	
340.03 Faith Formation Ministry Fund	805	3	(807)		0	(3)
340.05 Community Kitchen Fund	5,019	1,313	(5,245)		1,087	(4)
340.06 Music Fund	2,476	8	(916)		1,568	
340.07 Angel Fund	7,800	26	(7,826)		(0)	(5)
340.08 William Cuff Youth Ministry Fund	15,842	52	(4,000)		11,894	(3)
340.09 Williams Summer Camp/Conf Fund	1,568	5	(538)		1,035	
340.10 Mavis Hescoock Flowers Fund	961	3	(160)		804	
340.11 Richardson Tree Lighting Fund	10,860	32	(1,000)		9,892	
340.15 Other Designated Funds	1,050	3,890	(4,463)		477	
	\$61,904	\$6,066	(\$27,805)	\$0	\$40,164	

Notes:

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

(1) In September we spent \$16k to repave part of the parking lot, funded by the Capital Improvements Reserve Fund, which also paid for \$4k of a partial payment for the replacement Palladian window for Harrison Hall.

(2) Represents dividend income and unrealized 2023 gain/(loss) in market value of New Century Fund invested assets only through August 31, 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.

(3) In September we drew \$398 from the William Cuff Youth Ministry Fund and \$362 from the Faith Formation Fund as part of the \$5K in budgeted support from restricted funds for Faith Formation.

(4) In September we spent \$4k to purchase a refurbished commercial dishwasher to replace our old one that had had expired, generously funded by the Community Kitchen Restricted Fund.

(5) In September the Angel Fund paid for \$8k of a partial payment for the replacement Palladian window for Harrison Hall. Many thanks to our kind Angel Fund donors!

First Congregational Church of Woodstock
Statement of Financial Position
As of September 30, 2023

Data as of 9/30/23

	<u>Total</u>	<u>Notes</u>
Assets:		
Current Assets		
Cash and Cash Equivalents		
Operating Checking	\$37,121	
Restricted Checking:		
Donor-Restricted Funds	3,164	
Congregation-Designated Reserve Funds	30,469	
	33,634	
Chicken BBQ Checking	11,361	
	82,116	
Prepayments	5,332	
Short-term Investments (CDs & MMkt):		
Unrestricted Funds	57,015	
Congregation-Designated Funds	23,194	
Donor-Restricted Funds	37,000	
	117,208	
Total Current Assets	204,656	
Noncurrent Assets		
Long-term Investments		
Endowment (New Century) Fund		
Assets Held by Investment Managers	268,930	(1)
Land, buildings & equipment (Not included)	0	
Total Noncurrent Assets	268,930	
Total Assets	\$473,586	
Liabilities:		
Current Liabilities		
Accounts Payable & Accrued Expenses	7,383	
Daycare - Security Deposit/Deferred Rent	1,100	
Deferred Income - Arts/Crafts Fair	3,896	
Deferred Income - Prepaid Pledges	9,535	(2)
Total Liabilities	21,914	
Net Assets		
Unrestricted Funds	88,915	
Congregation-Designated Funds:		
Endowment (New Century) Fund	268,930	(1)(3)
Reserve Funds	53,663	(3)
Donor-restricted Funds	40,164	(3)
Total Net Assets	451,672	
Total Liabilities and Net Assets	\$473,586	

Notes:

Rounding differences may arise due to cents not shown.

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

(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.