

First Congregational Church of Woodstock
Operating Fund Financial Comments – Year to October 31, 2023

Summary

- The financial reports show operating net income of \$12k compared to budgeted net expenses of \$3k, so \$15k better than budget. This is due to income being \$5k higher than budgeted and expenses being \$10k lower than budgeted.

Income

- Pledge income is on budget. We recognized \$32k of 2023 prepaid pledges as income in Jan-Oct. The remainder is shown on the Statement of Financial Position as Deferred Income - Prepaid Pledges.
- Fundraising income includes \$4k net proceeds from October's Craft Fair. Many thanks to Kristen Kaiser for organizing the event, Charles Bottieri for leading the catering team and Suzanne Cimochofski and other volunteers for helping on the weekend. Also, the net proceeds from September's Chicken BBQ at the Woodstock Fair increased from \$12k to \$13k after final bills were received.
- Faith Formation income is higher than budget due to additional contributions from the Williams Summer Camp/Conf. Fund to assist with the cost of the Vacation Bible School program and from the Wm. Cuff Youth Ministry Fund due to a reassessment by the Finance Team of the optimal stewardship of this fund to support our ministry.
- 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 facilities 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 due to the Music Director position being vacant for June through August and due to underspend in worship technology and other categories.
- The Facilities team continues to manage its expenses in line with its overall operating budget while coping with a variety of surprises on individual expense line items.

Thank you for your 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 October 31, 2023

Congregation-Designated Reserve Funds

- In September we disbursed \$1k for an inspection of the parsonage property and septic system. In October we disbursed \$1k from the Special Purpose (Parsonage Sale) Reserve Fund for a deposit on a detailed survey of the parsonage property, \$1k for electrical repairs and \$3k for septic repairs.

Donor-Restricted Funds

- In October we disbursed \$1k from the Community Kitchen Fund for installation costs for the replacement commercial dishwasher. Thank you to the Community Kitchen team for covering this cost.
- In October we also drew an additional \$1k from the Wm. Cuff Youth Ministry Fund, beyond the \$4k originally budgeted, due to a reassessment by the Finance Team of the optimal stewardship of this fund to support our ministry. We plan to draw similar amounts in Nov and Dec to underwrite the cost of our Children & Family Coordinator.
- 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 \$9k in September, resulting in a \$5k net increase for January through September. This is a modest and volatile recovery from last year's \$40k decline due to 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 support of our ministry.

Tom Duggan

Treasurer

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

Data as of 11/3/23

	Actual	Budget			
	Year-to-Date	Year-to-Date			
	<u>10/31/2023</u>	<u>10/31/2023</u>		<u>Difference</u>	<u>Notes</u>
Income					
Pledges	\$121,233	\$120,830	✔	\$403	(1)
Rites (Baptisms etc.)	1,350	1,500	!	(150)	
Other Contributions	3,523	4,580	✘	(1,057)	
Total Contributions	<u>126,106</u>	<u>126,910</u>	!	(804)	
Fundraising	18,983	16,000	✔	2,983	(2)
Faith Formation	6,522	4,805	✔	1,717	(3)
Community Care	86	0	✔	86	
Faith in Action	1,898	3,030	✘	(1,132)	(4)
Facilities Income	22,276	23,880	✘	(1,604)	(5)
Operating Grant Income	24,115	21,734	✔	2,381	(6)
Net Investment Inc/(Exp)	1,814	980	✔	834	
	<u>201,800</u>	<u>197,339</u>	✔	4,461	
Expenses					
Worship	7,772	11,291	✔	(3,519)	(7)
Faith Formation	6,604	6,300	!	304	
Community Care	152	1,974	✔	(1,822)	
Faith in Action	14,275	15,642	✔	(1,367)	
Pastor	76,762	77,120	✔	(358)	
Office	18,458	20,801	✔	(2,343)	
Facilities	44,153	45,188	✔	(1,035)	
Contribution to Reserve Funds	21,734	21,734	✔	0	(6)
	<u>189,910</u>	<u>200,050</u>	✔	(10,140)	
Capital Improvements					
Major Repairs	32,676	0	✘	32,676	(8)
Less: Contributions from Restricted & Designated Funds	(32,676)	0	✔	(32,676)	(8)
	<u>0</u>	<u>0</u>	✔	0	
Unrestricted Net Income/(Expenses)	<u>\$11,890</u>	<u>(\$2,711)</u>	✔	\$14,601	

First Congregational Church of Woodstock
Notes to Summary of Operating Income & Expenses:
Year to October 31, 2023

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) The October Craft Fair raised \$4k. Many thanks to Kristen Kaiser for leading this event, to Charles Bottieri for heading the kitchen team who cooked delicious lunches and to the many volunteers who helped make the event possible. The net income from the September BBQ Chicken increased to \$13k after the final bills came in!

(3) Faith Formation support from restricted funds includes an unbudgeted contribution from the Williams Summer Camp/Conf Fund to cover the cost of providing Vacation Bible School, as well as \$1k additional contribution from the Wm Cuff Youth Ministry Fund on top of the \$5k budgeted funding from Wm. Cuff Fund and Faith Formation Fund.

(4) Community Kitchen local income in excess of Community Kitchen local expenses has been transferred to the CK Restricted Fund. Historically done at year end, doing so earlier makes our overall operating results clearer.

(5) 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.

(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) Worship expenses are \$3k lower than budget due to the Music Director position being vacant for June through August and due to underspend on worship technology.

(8) 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 \$5k to purchase and install 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 11/3/23

	Actual	Budget			
	Year-to-Date	Year-to-Date		Difference	Notes
	10/31/2023	10/31/2023			
Income					
Contributions					
401.01 Pledges	\$121,233	\$120,830	✔	\$403	(1)
401.02 Rites (Baptisms etc.)	1,350	1,500	⚠	(150)	
401.03 Other Contributions	3,523	4,580	✘	(1,057)	
	<u>126,106</u>	<u>126,910</u>	⚠	(804)	
Fundraising					
402.01 Chicken Barbeque Income	22,980	21,000	✔	1,980	
402.01EXPS Expenses for Chicken BBQ	(9,979)	(10,000)	✔	21	
Chicken BBQ Net Income	13,001	11,000	✔	2,001	(2)
402.03 Arts Festival Income	5,021	5,000	✔	21	
402.03EXPS Expenses for Arts Festival	(1,519)	(1,500)	⚠	(19)	
Arts Festival Net Income	3,502	3,500	✔	2	(2)
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	
	<u>18,983</u>	<u>16,000</u>	✔	2,983	
Faith Formation Income					
404.01 Faith Formation Contributions	34	0	✔	34	
404.02 FF Support from Restricted/Reserve Funds	6,488	4,805	✔	1,683	(3)
	<u>6,522</u>	<u>4,805</u>	✔	1,717	
Community Care Income					
405.02 CC Support from Restricted/Reserve Funds	86	0	✔	86	
	<u>86</u>	<u>0</u>	✔	86	
Faith in Action Ministry Income					
406.01 Faith in Action Contributions	1,138	1,200	⚠	(62)	
406.03 Community Kitchen Local Income	760	1,830	✘	(1,070)	(4)
	<u>1,898</u>	<u>3,030</u>	✘	(1,132)	
Facilities Income					
409.01 Parsonage Rental	14,000	14,000	✔	0	
409.02 Daycare Rental	4,258	8,800	✘	(4,542)	(5)
409.03 Room & Equip. Use Income	2,050	1,080	✔	970	
409.05 Facilities Contributions	1,968	0	✔	1,968	(6)
	<u>22,276</u>	<u>23,880</u>	✘	(1,604)	
Operating Grant Income	24,115	21,734	✔	2,381	(7)
Unrestricted Investment Income					
440.01 Interest/Dividend Inc on Unrestricted Invs	1,852	980	✔	872	
440.02 Realized gain/(loss) on Unrestricted invs	(38)	0	⚠	(38)	
	<u>1,814</u>	<u>980</u>	✔	834	
Total Operating Income	<u>201,800</u>	<u>197,339</u>	✔	4,461	

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

Data as of 11/3/23

	Actual	Budget		
	Year-to-Date	Year-to-Date		
	10/31/2023	10/31/2023	Difference	Notes
Expenses				
Worship				
503.01 Music Director Salary	5,490	6,991	✔	(1,501)
503.02 Worship Licenses & Technology	226	1,300	✔	(1,074)
503.03 Guest Musicians	480	480	✔	0
503.04 Guest Preachers	275	500	✔	(225)
503.05 Other Worship Resources	993	1,740	✔	(747)
503.06 Hospitality/Catering	308	280	⚠	28
	<hr/>	<hr/>	✔	<hr/>
	7,772	11,291		(3,519)
Faith Formation				
504.01 Children & Family Coordinator salary	5,825	5,560	⚠	265
504.02 Faith Formation materials/ministry	779	740	⚠	39
	<hr/>	<hr/>	⚠	<hr/>
	6,604	6,300		304
Community Care				
505.01 Community Care Program	86	1,554	✔	(1,468)
505.02 Congregational Care	66	420	✔	(354)
	<hr/>	<hr/>	✔	<hr/>
	152	1,974		(1,822)
Faith in Action				
506.01 Faith in Action Missions	4,438	4,500	✔	(62)
506.02 Faith in Action Program	234	420	✔	(186)
506.03 Community Kitchen Local Expenses	760	1,830	✔	(1,070)
506.04 Windham Association UCC Dues	251	300	✔	(49)
506.05 SNEUCC Contribution	8,592	8,592	✔	0
	<hr/>	<hr/>	✔	<hr/>
	14,275	15,642		(1,367)
Pastor				
507.01 Pastor Salary	38,292	38,750	✔	(458) (8)
507.02 Pastor Housing Allowance	17,055	16,784	⚠	271 (8)
507.03 Pastor Annuity	19,500	20,000	✔	(500) (8)
507.04 Pastor Expense Reimbursement	1,304	940	⚠	364
507.05 Pastor Continuing Education	611	646	✔	(35)
	<hr/>	<hr/>	✔	<hr/>
	76,762	77,120		(358)
Office				
508.01 Communications Coord. Salary	8,933	8,985	✔	(52)
508.02 Payroll Taxes	1,549	1,911	✔	(362)
508.03 Workers' Comp Insurance	48	527	✔	(479)
508.04 Staff Professional Development	75	75	✔	0
508.05 Copier	2,296	2,376	✔	(80)
508.06 Telephone/Internet	2,030	2,190	✔	(160)
508.07 Office Supplies	1,224	2,332	✔	(1,108)
508.08 Professional Services	1,947	1,710	⚠	237
508.09 Tech Equip, Licenses, Services	311	500	✔	(189)
508.10 Publicity	45	195	✔	(150)
	<hr/>	<hr/>	✔	<hr/>
	18,458	20,801		(2,343)

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

Data as of 11/3/23

	Actual	Budget			
	Year-to-Date	Year-to-Date		Difference	Notes
	10/31/2023	10/31/2023			
Facilities					
509.01 Property Insurance	11,657	12,038	✔	(381)	
509.02 Fuel Expense	6,753	12,000	✔	(5,247)	
509.03 Electricity Expense	2,067	2,370	✔	(303)	
509.04 Property Taxes	4,962	5,000	✔	(38)	
509.05 Repairs	6,808	5,000	✘	1,808	
509.06 Contract Cleaning	4,988	5,360	✔	(372)	
509.07 Other Recurring Maintenance	6,918	3,420	✘	3,498	(6)
	44,153	45,188	✔	(1,035)	
Contributions to Reserve Funds					
550.01 Contrib. to Ministry Reserve Fund	8,355	8,355	✔	0	(7)
550.02 Contrib. to Contingency Reserve Fund	5,024	5,024	✔	0	(7)
550.03 Contrib. to Capital Improvements Reserve Fund	8,355	8,355	✔	0	(7)
	21,734	21,734	✔	0	
Total Operating Expenses	189,910	200,050	✔	(10,140)	
Capital Improvements					
510.01 Major Repairs	32,676	0	✘	32,676	(9)
510.02 Less: Contributions from Restricted & Designated Funds	(32,676)	0	✔	(32,676)	(9)
Net Operating Income/(Expense)	\$11,890	(\$2,711)	✔	\$14,601	

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

Data as of 11/3/23

Actual	Budget		
Year-to-Date	Year-to-Date		
<u>10/31/2023</u>	<u>10/31/2023</u>	<u>Difference</u>	<u>Notes</u>

**First Congregational Church of Woodstock
Notes to Detail of Operating Income & Expenses
Year to October 31, 2023**

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) The October Craft Fair raised \$4k. Many thanks to Kristen Kaiser for leading this event, to Charles Bottieri for heading the kitchen team who cooked delicious lunches and to the many volunteers who helped make the event possible. The net income from the September BBQ Chicken increased to \$13k after the final bills came in.

(3) Faith Formation support from restricted funds includes an unbudgeted contribution from the Williams Summer Camp/Conf Fund to cover the cost of providing Vacation Bible School, as well as \$1k additional contribution from the Wm Cuff Youth Ministry Fund, on top of the \$5k budgeted funding from Wm. Cuff Fund and Faith Formation Fund.

(4) Community Kitchen local income in excess of Community Kitchen local expenses has been transferred to the Community Kitchen Restricted Fund. Historically done at year end, doing so earlier makes our overall operating results clearer.

(5) 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.

(6) 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.

(7) 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.

(8) 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.

(9) 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 \$5k to purchase and install 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
Year to October 31, 2023

Data as of 11/3/23

	Balance as of <u>12/31/2022</u>	Income Year-to-Date <u>10/31/2023</u>	Expenses Year-to-Date <u>10/31/2023</u>	Transfers Year-to-Date <u>10/31/2023</u>	Balance as of <u>10/31/2023</u>	<u>Notes</u>
Congregation-Designated Reserve Funds						
310.01 Ministry Reserve Fund	\$0	8,396	\$0		\$8,396	
310.02 Contingency Reserve Fund	3,918	5,102	0		9,020	
310.03 Capital Improvements Reserve Fund	29,588	8,647	(19,724)		18,511	(1)
310.04 Special Purpose Reserve Fund [Parsonage Sale]	9,000	122	(5,813)		3,310	(2)
310.05 Pastor Sabbatical Reserve Fund	9,485	271	0		9,756	
	\$51,991	\$22,537.96	(\$25,537)	\$0	\$48,992	
Endowment (New Century) Fund						
180.11 Endowment - Cost	\$217,546	\$3,819		\$9,400	\$230,765	(3)
180.12 Endowment - Market Value Adj.	23,937	4,934			28,871	(3)
330.02 Endowment - Held at Inv. Managers	241,483	8,753	0	9,400	259,636	
330.02 Endowment - Cash Held at FCCW	9,400			(9,400)	0	
	\$250,883	\$8,753	\$0	\$0	\$259,636	
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	(86)		2,172	
340.03 Faith Formation Ministry Fund	805	3	(807)		0	
340.05 Community Kitchen Fund	5,019	1,872	(6,126)		765	(4)
340.06 Music Fund	2,476	8	(943)		1,541	
340.07 Angel Fund	7,800	26	(7,826)		(0)	
340.08 William Cuff Youth Ministry Fund	15,842	52	(5,142)		10,752	(5)
340.09 Williams Summer Camp/Conf Fund	1,568	5	(538)		1,035	
340.10 Mavis Hescocock 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	(4,838)		102	
	\$61,904	\$6,624	(\$30,282)	\$0	\$38,246	

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) In September we paid \$1k for the parsonage home inspection. In October we paid \$1k deposit for a detailed survey of the parsonage property, \$1k for electrical repairs and \$3k for septic repairs, all funded by the Special Purpose Reserve Fund established by the congregation in 2021 to facilitate the potential sale of the parsonage.

(3) Represents dividend income and unrealized 2023 gain/(loss) in market value of New Century Fund invested assets only through September 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.

(4) In September and October we spent \$5k to purchase and install a refurbished commercial dishwasher to replace our old one that had had expired, generously funded by the Community Kitchen Restricted Fund.

(5) In October we drew an additional \$1k from the Wm. Cuff Youth Ministry Fund, on top of the \$4k originally budgeted for 2023. This change resulted from an updated evaluation by the Finance Team of the optimal use of this fund to support our youth ministry. We plan to make similar additional withdrawals in November and December for the same reason.

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

Data as of 11/3/23

	<u>Total</u>	<u>Notes</u>
Assets:		
Current Assets		
Cash and Cash Equivalents		
Operating Checking	\$15,291	
Restricted Checking:		
Donor-Restricted Funds	1,246	
Congregation-Designated Reserve Funds	13,552	
	14,798	
Chicken BBQ Checking	6,362	
	36,451	
Prepayments	5,444	
Short-term Investments (CDs & Money Funds):		
Unrestricted Funds	77,257	
Congregation-Designated Funds	38,416	
Donor-Restricted Funds	37,000	
	152,672	
Total Current Assets	194,567	
Noncurrent Assets		
Long-term Investments		
Endowment (New Century) Fund		
Assets Held by Investment Managers	259,636	(1)
Land, buildings & equipment (Not included)	0	
Total Noncurrent Assets	259,636	
Total Assets	\$454,203	
Liabilities:		
Current Liabilities		
Accounts Payable & Accrued Expenses	8,095	
Daycare - Security Deposit/Deferred Rent	1,100	
Deferred Income - Arts/Crafts Fair	0	
Deferred Income - Prepaid Pledges	9,422	(2)
Total Liabilities	18,617	
Net Assets		
Unrestricted Funds	88,712	
Congregation-Designated Funds:		
Endowment (New Century) Fund	259,636	(1)(3)
Reserve Funds	48,992	(3)
Donor-restricted Funds	38,246	(3)
Total Net Assets	435,586	
Total Liabilities and Net Assets	\$454,203	

Notes:

Rounding differences may arise due to cents not shown.

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

(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.