

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

Summary

- The financial reports show operating net income \$16k better than budget. This is due to income being \$6k higher than budgeted and expenses being \$10k lower than budgeted.

Income

- Pledge income is on budget. We recognized \$35k of 2023 prepaid pledges as income in Jan-Nov. The remainder is shown on the Statement of Financial Position as Deferred Income - Prepaid Pledges.
- Other Contributions are \$2k less than budgeted due to an anticipated gift not being received.
- Fundraising income includes \$13k estimated net proceeds from November's Christmas on the Hill event. Many thanks to Debby Kirk for organizing the event and to the many volunteers who helped bring Christmas cheer to the community. We expect to finalize the results in December.
- Faith Formation income is \$3.5k 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 the Finance Team reassessing 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 \$4k lower than budgeted due to the Music Director position being vacant for June through August and underspend in worship technology.
- In November we installed the replacement Palladian window for Harrison Hall. Chris Albrecht of Chris' Carpentry kindly stepped in to work with Stan Swanson as our planned contractor was no longer available. The Operating Fund covered installation costs of \$3k. Many thanks to Stan Swanson and our other volunteers on this project.
- Other areas have expense savings as explained in the notes to the accounts.

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
Summary of Operating Income & Expenses**

Data as of 11/30/23

	Actual	Budget			
	Year-to-Date	Year-to-Date			
	<u>11/30/2023</u>	<u>11/30/2023</u>		<u>Difference</u>	<u>Notes</u>
Income					
Pledges	\$133,447	\$132,913	✔	\$534	(1)
Rites (Baptisms etc.)	1,350	1,800	!	(450)	
Other Contributions	4,856	7,140	✘	(2,284)	(2)
Total Contributions	139,653	141,853	✘	(2,200)	
Fundraising	31,674	28,000	✔	3,674	(3)
Faith Formation	8,330	4,805	✔	3,525	(4)
Community Care	129	0	✔	129	
Faith in Action	2,143	3,213	✘	(1,070)	(5)
Facilities Income	25,001	26,488	✘	(1,487)	(6)
Operating Grant Income	24,115	21,734	✔	2,381	(7)
Net Investment Inc/(Exp)	2,058	1,090	✔	968	(8)
	233,103	227,183	✔	5,920	
Expenses					
Worship	9,250	12,933	✔	(3,683)	(9)
Faith Formation	8,479	8,360	!	119	
Community Care	195	2,500	✔	(2,305)	(10)
Faith in Action	15,273	16,605	✔	(1,332)	
Pastor	84,404	84,753	✔	(349)	
Office	19,333	23,023	✔	(3,690)	(11)
Facilities	51,535	50,359	✘	1,176	
Contributions to Reserve Funds	29,147	29,147	✔	0	(7)
	217,616	227,680	✔	(10,064)	
Capital Improvements					
Major Repairs	34,051	0	✘	34,051	(12)
Less: Contributions from Restricted & Designated Funds	(34,051)	0	✔	(34,051)	(12)
	0	0	✔	0	
Unrestricted Net Income/(Expenses)	\$15,487	(\$497)	✔	\$15,984	

First Congregational Church of Woodstock
Notes to Summary of Operating Income & Expenses:
Year to November 30, 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) Other Contributions are \$2k under budget due to an anticipated gift not being received.

(3) Includes \$13k of estimated net proceeds from November's Christmas on the Hill event.

(4) 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 \$3k additional contribution from the Wm Cuff Youth Ministry Fund on top of the \$5k budgeted from Wm. Cuff Fund and Faith Formation Fund.

(5) Community Kitchen local income in excess of Community Kitchen local expenses was previously transferred to the Community Kitchen Restricted Fund, resulting in less income in the Operating Fund.

(6) 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.

(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. A \$7k additional budgeted contribution was made to the Contingency Reserve Fund in November.

(8) In November the congregation approved the sale of the parsonage for \$375k. This will be reflected in the accounts when the closing takes place.

(9) Worship expenses are \$4k lower than budget due to the Music Director position being vacant for June through August and due to underspend on worship technology.

(10) Community Care Program expenses are lower than budgeted due to creative programming and teaming with community partners who have generously provided guest speakers for our senior social events.

(11) Office expenses are \$4k less than budget due to an unanticipated \$700 refund from our workers comp insurer, a change from cash to accrual basis accounting for this policy, \$500 in employer payroll taxes for our Children & Family Coordinator being moved to Faith Formation expenses, and frugal use of office supplies (\$1K).

(13) In November we spent \$1k for the balance due on the replacement Palladian window for Harrison Hall. Installation costs of \$3k were borne by the Operating Fund and are included in Facilities: Repairs Expenses.

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

Data as of 11/30/23

	Actual	Budget		Difference	Notes
	Year-to-Date	Year-to-Date	0		
	<u>11/30/2023</u>	<u>11/30/2023</u>			
Income					
Contributions					
401.01 Pledges	\$133,447	\$132,913	✔	\$534	(1)
401.02 Rites (Baptisms etc.)	1,350	1,800	⚠	(450)	
401.03 Other Contributions	4,856	7,140	✘	(2,284)	(2)
	<u>139,653</u>	<u>141,853</u>	✘	(2,200)	
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	
402.02 Christmas on the Hill Income	15,243	14,000	✔	1,243	
402.02EXPS Expenses for Christmas on the Hill	(1,943)	(2,000)	✔	57	
Christmas on the Hill Net Income	13,300	12,000	✔	1,300	(3)
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	
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>31,674</u>	<u>28,000</u>	✔	3,674	
Faith Formation Income					
404.01 Faith Formation Contributions	34	0	✔	34	
404.02 FF Support from Restricted/Reserve Funds	8,296	4,805	✔	3,491	(4)
	<u>8,330</u>	<u>4,805</u>	✔	3,525	
Community Care Income					
405.02 CC Support from Restricted/Reserve Funds	129	0	✔	129	
	<u>129</u>	<u>0</u>	✔	129	
Faith in Action Ministry Income					
406.01 Faith in Action Contributions	1,138	1,200	⚠	(62)	
406.03 Community Kitchen Local Income	1,005	2,013	✘	(1,008)	(5)
	<u>2,143</u>	<u>3,213</u>	✘	(1,070)	
Facilities Income					
409.01 Parsonage Rental	15,400	15,400	✔	0	
409.02 Daycare Rental	5,358	9,900	✘	(4,542)	(6)
409.03 Room & Equip. Use Income	2,275	1,188	✔	1,087	
409.05 Facilities Contributions	1,968	0	✔	1,968	(7)
	<u>25,001</u>	<u>26,488</u>	✘	(1,487)	
Operating Grant Income	24,115	21,734	✔	2,381	(8)

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

Data as of 11/30/23

	Actual	Budget		Difference	Notes
	Year-to-Date	Year-to-Date			
	11/30/2023	11/30/2023	0		
Unrestricted Investment Income					
440.01 Interest/Dividend Inc on Unrestricted Invs	2,096	1,090	✔	1,006	
440.02 Realized gain/(loss) on Unrestricted invs	(38)	0	⚠	(38)	(9)
	<u>2,058</u>	<u>1,090</u>	✔	968	
Total Operating Income	<u>233,103</u>	<u>227,183</u>	✔	5,920	
Expenses					
Worship					
503.01 Music Director	6,457	7,958	✔	(1,501)	
503.02 Worship Licenses & Technology	226	1,500	✔	(1,274)	
503.03 Guest Contributors	750	755	✔	(5)	
503.04 Guest Preachers	275	500	✔	(225)	
503.05 Other Worship Resources	1,203	1,890	✔	(687)	
503.06 Hospitality/Catering	339	330	⚠	9	
	<u>9,250</u>	<u>12,933</u>	✔	(3,683)	
Faith Formation					
504.01 Children & Family Coordinator	7,051	7,360	✔	(309)	
504.02 Faith Formation materials/ministry	1,428	1,000	⚠	428	
	<u>8,479</u>	<u>8,360</u>	⚠	119	
Community Care					
505.01 Community Care Program	129	2,000	✔	(1,871)	(10)
505.02 Congregational Care	66	500	✔	(434)	
	<u>195</u>	<u>2,500</u>	✔	(2,305)	
Faith in Action					
506.01 Faith in Action Missions	5,188	5,200	✔	(12)	
506.02 Faith in Action Program	234	500	✔	(266)	
506.03 Community Kitchen Local Expenses	1,008	2,013	✔	(1,005)	
506.04 Windham Association UCC Dues	251	300	✔	(49)	
506.05 SNEUCC Contribution	8,592	8,592	✔	0	
	<u>15,273</u>	<u>16,605</u>	✔	(1,332)	
Pastor					
507.01 Pastor Salary	42,167	42,625	✔	(458)	(11)
507.02 Pastor Housing Allowance	18,733	18,462	⚠	271	(11)
507.03 Pastor Annuity	21,500	22,000	✔	(500)	(11)
507.04 Pastor Expense Reimbursement	1,393	1,020	⚠	373	
507.05 Pastor Continuing Education	611	646	✔	(35)	
	<u>84,404</u>	<u>84,753</u>	✔	(349)	

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

Data as of 11/30/23

	Actual	Budget		Difference	Notes
	Year-to-Date	Year-to-Date			
	11/30/2023	11/30/2023	0		
Office					
508.01 Communications Coordinator	9,983	10,035	✓	(52)	
508.02 Payroll Taxes	1,258	2,169	✓	(911)	(12)
508.03 Workers' Comp Insurance	(611)	575	✓	(1,186)	(13)
508.04 Staff Professional Development	75	75	✓	0	
508.05 Copier	2,535	2,613	✓	(78)	
508.06 Telephone/Internet	2,232	2,393	✓	(161)	
508.07 Office Supplies	1,454	2,382	✓	(928)	
508.08 Professional Services	2,051	1,881	!	170	
508.09 Tech Equip, Licenses, Services	311	600	✓	(289)	
508.10 Publicity	45	300	✓	(255)	
	<u>19,333</u>	<u>23,023</u>	✓	<u>(3,690)</u>	
Facilities					
509.01 Property Insurance	12,983	13,364	✓	(381)	
509.02 Fuel Expense	7,617	13,500	✓	(5,883)	(14)
509.03 Electricity Expense	2,418	2,685	✓	(267)	
509.04 Property Taxes	4,962	5,700	✓	(738)	
509.05 Repairs	10,045	5,500	✗	4,545	
509.06 Contract Cleaning	5,486	5,860	✓	(374)	
509.07 Other Recurring Maintenance	8,024	3,750	✗	4,274	(7)
	<u>51,535</u>	<u>50,359</u>	✗	<u>1,176</u>	
Contributions to Reserve Funds					
550.01 Contrib. to Ministry Reserve Fund	8,355	8,355	✓	0	(8)
550.02 Contrib. to Contingency Reserve Fund	12,437	12,437	✓	0	(8)
550.03 Contrib. to Capital Improvements Reserve Fund	8,355	8,355	✓	0	(8)
	<u>29,147</u>	<u>29,147</u>	✓	<u>0</u>	
Total Operating Expenses	<u>217,616</u>	<u>227,680</u>	✓	<u>(10,064)</u>	
Capital Improvements					
510.01 Major Repairs	34,051	0	✗	34,051	(15)
510.02 Less: Contributions from Restricted & Designated Funds	(34,051)	0	✓	(34,051)	(15)
	<u>0</u>	<u>0</u>	✓	<u>0</u>	
Net Operating Income/(Expense)	<u>\$15,487</u>	<u>(\$497)</u>	✓	<u>\$15,984</u>	

First Congregational Church of Woodstock
Notes to Detail of Operating Income & Expenses

Data as of 11/30/23

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) Other Contributions are \$2k under budget due to an anticipated gift not being received.

(3) Includes \$13k of estimated net proceeds from November's Christmas on the Hill event.

(4) 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 \$3k additional contribution from the Wm Cuff Youth Ministry Fund, on top of the \$5k budgeted funding from Wm. Cuff Fund and Faith Formation Fund.

(5) Community Kitchen local income in excess of Community Kitchen local expenses was previously transferred to the Community Kitchen Restricted Fund, resulting in less income in the Operating Fund.

(6) 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.

(7) 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.

(8) 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. A \$7k additional budgeted contribution was made to the Contingency Reserve Fund in November.

(9) In November the Governing Board approved the parsonage sale for \$375k. This will be reflected in the accounts upon closing.

(10) Community Care Program expenses are lower than budgeted due to creative programming and teaming with community partners who have generously provided guest speakers for our senior social events.

(11) 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.

(12) Employer payroll taxes of \$500 for the Children & Family Coordinator have been relocated to the Faith Formation expense line for the Children & Family Coordinator. The salary and benefits of this position are supported by the Wm. Cuff Youth Ministry Fund.

(13) We received a refund of \$707 following our insurer's audit of our workers compensation policy rating. We also changed our accounting for this policy to be on an accrual instead of a cash basis, resulting in an additional reduction in 2023 expense.

(14) We budgeted 2023 fuel expense very pessimistically when oil prices were soaring in 2022. Prices have come down significantly and weather has been moderate, resulting in considerable savings that enabled us to fund additional repairs and maintenance.

(15) In November we spent \$1k for the balance due on the replacement Palladian window for Harrison Hall. Installation costs of \$3k were borne by the Operating Fund and are included in Facilities: Repairs Expenses.

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

Congregation-Designated Reserve Funds

- In November we disbursed \$1k from the Capital Improvements Reserve Fund to cover the balance due on the \$13k replacement Palladian window for Harrison Hall. Installation costs of \$3k were borne by the Operating Fund.

Donor-Restricted Funds

- In November we drew an additional \$2k from the Wm. Cuff Youth Ministry Fund to underwrite the cost of our Children & Family Coordinator, due to a reassessment by the Finance Team of the optimal stewardship of this fund to support our 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 \$6k in October, resulting in a \$1k net decrease for January through October. This follows 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
Congregation-Designated, Endowment & Donor-Restricted Funds
Year to November 30, 2023

Data as of 11/30/23

	Balance as of <u>12/31/2022</u>	Income Year-to-Date <u>11/30/2023</u>	Expenses Year-to-Date <u>11/30/2023</u>	Transfers Year-to-Date <u>11/30/2023</u>	Balance as of <u>11/30/2023</u>	<u>Notes</u>
Congregation-Designated Reserve Funds						
310.01 Ministry Reserve Fund	\$0	8,412	\$0		\$8,412	
310.02 Contingency Reserve Fund	3,918	12,533	0		16,451	
310.03 Capital Improvements Reserve Fund	29,588	8,683	(21,100)		17,172	(1)
310.04 Special Purpose Reserve Fund [Parsonage Sale]	9,000	129	(5,813)		3,316	
310.05 Pastor Sabbatical Reserve Fund	9,485	290	0		9,775	
	\$51,991	\$30,046.96	(\$26,912)	\$0	\$55,126	
Endowment (New Century) Fund						
180.11 Endowment - Cost	\$217,546	\$4,164		\$9,400	\$231,110	(2)
180.12 Endowment - Market Value Adj.	23,937	(1,056)			22,881	(2)
330.02 Endowment - Held at Inv. Managers	241,483	3,108	0	9,400	253,991	
330.02 Endowment - Cash Held at FCCW	9,400			(9,400)	0	
	\$250,883	\$3,108	\$0	\$0	\$253,991	
Donor-Restricted Funds						
340.01 Deacons Charitable Giving Fund	\$13,522	\$975	(\$2,920)		\$11,577	
340.02 Community Care Ministry Fund	2,001	257	(129)		2,130	
340.03 Faith Formation Ministry Fund	805	3	(807)		0	
340.05 Community Kitchen Fund	5,019	1,872	(6,126)		765	
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	(6,951)		8,943	(3)
340.09 Williams Summer Camp/Conf Fund	1,568	5	(538)		1,035	
340.10 Mavis Hescok Flowers Fund	961	3	(171)		793	
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	\$7,122	(\$32,249)	\$0	\$36,777	

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 November we spent \$1k for the balance due on the \$13k 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 October 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 November we drew an additional \$2k from the Wm. Cuff Youth Ministry Fund. This change resulted from an updated evaluation by the Finance Team of the optimal use of this fund to support our youth ministry.

First Congregational Church of Woodstock
Statement of Financial Position
As of November 30 2023

Data as of 11/30/23

	<u>Total</u>	<u>Notes</u>
Assets:		
Current Assets		
Cash and Cash Equivalents		
Operating Checking	\$15,874	
Restricted Checking:		
Donor-Restricted Funds	(223)	(1)
Congregation-Designated Reserve Funds	16,615	
	<u>16,392</u>	
Chicken BBQ Checking	5,774	
PayPal	0	
	<u>38,040</u>	
Prepayments	3,947	
Short-term Investments (CDs & Money Funds):		
Unrestricted Funds	77,501	
Congregation-Designated Funds	38,512	
Donor-Restricted Funds	<u>37,000</u>	(1)
	<u>153,013</u>	
Total Current Assets	<u>195,000</u>	
Noncurrent Assets		
Long-term Investments		
Endowment (New Century) Fund		
Assets Held by Investment Managers	253,991	(2)
Land, buildings & equipment (Not included)	0	(3)
Total Noncurrent Assets	<u>253,991</u>	
Total Assets	<u><u>\$448,991</u></u>	
Liabilities:		
Current Liabilities		
Accounts Payable & Accrued Expenses	2,493	
Daycare - Security Deposit/Deferred Rent	1,100	
Deferred Income - Prepaid Pledges	<u>7,194</u>	(4)
Total Liabilities	<u>10,787</u>	
Net Assets		
Unrestricted Funds	92,310	
Congregation-Designated Funds:		
Endowment (New Century) Fund	253,991	(2)(5)
Reserve Funds	55,126	(5)
Donor-Restricted Funds	<u>36,777</u>	(1)(5)
Total Net Assets	<u>438,204</u>	
Total Liabilities and Net Assets	<u><u>\$448,991</u></u>	

Notes:

Rounding differences may arise due to cents not shown.

(1) The \$37k donor-restricted funds CD maturing 3/1/24 exceeds donor-restricted fund balances at 11/30/23 by \$232. Congregation-designated funds will be reimbursed when the CD matures or sooner as net fund flows permit.

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

(3) In November the Governing Board approved the sale of the parsonage for \$375k. This will be reflected in the accounts when the closing takes place.

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

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