

This month I will go into a bit more detail than usual to acquaint the new vestry members (and reacquaint existing vestry members) with our financial reports. We review two reports each month: the Statement of Financial Position (balance sheet in the business world) and the Statement of Activities (income and expenses). The Statement of Financial Position shows our assets, liabilities and fund balances. It shows that we have \$395,671 in assets. We have \$196,046 in our OCCU checking account. We have \$35,029 in our OCCU money market account. We have \$634 in liabilities. These are in pass-through accounts which should be moved to the groups destined to receive the funds. In the past, we have held special collections from the open plate, however the destination/addressee was never specified or at least well documented. For example, the Good Friday collection (2332) was raised for the Episcopal church in Jerusalem but so far, I have not received clarity from the Diocese about specifically where to send the check. I believe that the Pentecost Sunday offering was for a seminary fund, but we have no specifics of where that fund resides, again waiting to hear back from the Diocese. **In the future, when we hold a special collection we need to document who exactly gets the check and where to send it.** In total, we have \$395,037 total assets.

These are in 4 types of funds that make up our net assets: the general fund (where the budget resides), the restricted funds (funds contributed for a specific ministry or activity), the designated funds (these are set up by the vestry for a specific purpose) and the endowment fund. We have \$91,918 in the general fund; \$70,345 in the restricted funds; \$72,583 in the designated funds including \$65,917 in the operations reserve fund and \$160,190 in the endowment fund. We receive an annual 4% dividend from this fund, about \$6,400 at the current value. There has been a question raised about whether we could put those funds elsewhere, other than the diocese fund, where we might get a larger dividend. **I am not asking for any action at this point, but wanted to raise the question of whether this is even something the vestry would like the finance committee to explore.** We also have about \$30,000 in an endowment fund managed by the Oregon Community Foundation. We receive a 4% to 5% annual dividend from that OCF fund, but the assets are not on the church's books and aren't accessible. There is \$1,086 in the designated rector compensation reserve fund (3930). This was set up last year to cover uncertainty around when Birch would start. **We need to decide what to do with these funds; I recommend we roll them into the Operations Reserve (3940).** The priest-in-charge and the deacon have discretionary funds. These appear as assets in their two checking accounts (1210 & 1212) and in their respective restricted funds (3110 & 3111). These are highlighted yellow on your report and in general these figures should match, however as you can see, the funds were transferred, but the funds hadn't been moved from our OCCU checking account to the discretionary fund checking accounts at the time I ran this report.

Turning to the Statement of Activities, the church's general fund income through January 31th was \$42,858 which is about \$2,580 over what we budgeted for the month. Pledge income in January was \$39,553, this includes the \$21,105 pre-paid pledge gifts that we received in December 2021. Pledges continue to trickle in. We have \$218,176 pledged through February 4th from 66 pledges. The \$39,553 in January pledge income represents 18% of those pledges. Other donation income, including givers of record and open plate donations, was \$2,101. We also received \$1,000 in grant income from the diocese, this may be intended for Hospitality Village and I am following up on that. In the budget, we included \$25,000 from the EBOF grant which has not been received yet. For our purposes, we included this as part of the budget, but for better accounting transparency we will show this grant as income to a designated fund which we will transfer from the designated to general fund when received. The bottom line is we have started the year right on target in terms of income. In restricted income, we show the transfer of the budgeted \$1,200 & \$600 (rector and deacon discretionary funds) from the budget into their respective restricted funds. This budget transfer is made every January and all clergy discretionary spending comes

from those restricted funds. We also received \$7,760 income from our endowment fund activity (4100). Total income including restricted, designated and endowment fund income was \$53,468 in January.

Our general fund expenses for January were \$21,017, which was \$7,260 under budget. Looking at the details, clergy compensation was under budget largely because the health insurance premium has not yet been billed. Lay staff compensation was under budget largely due to no Christian Ed. payroll in January. Utilities, buildings and grounds are under budget because there was no insurance payment or maintenance expenses in January. These tend to even out over the year. Office expenditures are on target. Parish Life and Christian Ed. expenses are well under budget because our programs have yet to ramp up. As mentioned above, the Rector and Deacon Discretionary expenses (5390 & 5393) were moved to the discretionary funds. Our total expenditures including expenditures from restricted, designated and endowment funds were \$21,570 for January.

- Frank Koch

Treasurer, Church of the Resurrection