



**The Diocese of the West, The Orthodox Church in America
Office of the Treasurer**

22 Dunraven Pl

Port Townsend, WA 98368-9500

Web Site for links to prior month Monthly Reports:
http://dowoca.org/reports_financial.html
(360) 774-2778 Cell caetta39@q.com

February 2011 Financial Report Summary

**Prepared by
Mary L. Caetta
Diocesan Treasurer
08 March 2011**

I. Executive Summary

I have not yet received parish financial reports for 10 parishes. I have sent out two reminders. The internal audit of the Diocesan financial records will take place on March 12. I will schedule the external audit for June.

St John the Evangelist Mission in Tempe has paid off their loan.

The Finance Committee should note the 2011 budget status to date, (See Section IV) and decide what action, if any, they need to take.

II. Statement of Financial Position (Consolidated Balance Sheet)

This balance sheet reflects both unrestricted and restricted fund accounts. Savings and investment account names indicate the current interest rate on funds in those accounts.

Assets from the sale of the Point Reyes property now total \$1,192,927. Point Reyes sale funds are invested with Mesirow Financial and invested in short term bond funds and a government cash trust. The balance of the cash is in a Wells Fargo savings account, Chase Bank savings account, and in loans receivable. Approximately \$210,00 is still available for building expenses for the chapel at St Barbara Monastery. See Section IV for specific detail about these funds.

Mission Savings in the LCBA Annuity account is currently \$66,432 and is earning 4.5% interest. Deposits can no longer be made to this account. Mission Department restricted funds are also invested in an ING 1-year CD earning 1.00% interest (\$13,001), and in a Wells Fargo Savings Account (\$65,234). A bequest of \$55,311.11 from the William H. Searles Fund and funds from the closed mission in Spokane were deposited to the Wells Fargo Savings account in February. Two CDs were purchased in March with \$50,000 of that deposit.

III. Receivables and Loans Status

- The balance sheet indicates that parish assessment receivables as of the end of February total \$ 13,085.75. The total amount of receivables on the balance sheet for Fair Share and DPA is more than that reflected in the table at the end of this report, since February invoices cannot yet be 30 days past due. That table in Section VIII shows parishes having open invoices more than 30 days past due.
- The Life Giving Spring Retreat Center now has outstanding debts to the Diocese of \$13,360 from an old debt and \$115,389 for operating expenses since March 2009. In addition, the Diocese has \$ 215,240 in equity in the Center for paying off the loan from

the Catholic sisters who formerly owned the property. A refund of 2011 property taxes was deposited into the Diocesan checking account, since the check was made payable to the Diocese. Formal disposition of these funds will be determined at the March Diocesan Council Meeting.

- The Monastery of St. John of Shanghai was given a 3-year no interest loan of \$20,000 in March 2009 which is due by 2012. The monastery pays faithfully each month. The current balance on the loan is \$ 6,611.
- Saint John the Evangelist Mission in Tempe received a loan in April 2009 from restricted mission funds in the amount of \$10,380. The loan has been paid in full. In March the balance of their payments will be transferred from operating funds to Mission Funds.
- Joy of All Who Sorrow Mission in Culver City received a \$17,000 loan from Pt Reyes Fund money in February 2010. The current balance is \$16,148.
- The parish of St Mary Magdalene in Merced was given a loan of \$287,258 in August 2009. The loan is due when the parish property is sold. The loan has been accruing interest and now has a balance of \$328,612.

IV. Unrestricted Funds P&L Year-to-Date, Actual versus Budget

Net unrestricted income through the end of February was \$14,377.95. Income and expenses shown on the attached unrestricted P&L report include those through March 8 . Thus the percent of budget for each category should be between 17% and 25%. Unrestricted income is 26% of budget and expenses are 18% of budget for the year. The income from appeals is 29% of the 2011 budget.

Individual major expense categories that are running 10% over the 2011 budget at this time are:

- Property & Liability Insurance is at 94% of budget, but there will be no additional expenses for this category this year.
- Deans travel is 34% of budget.
- **Travel for the Auditing function is at 91% of budget.** Two auditors have to travel to Phoenix for the Internal Audit on March 12. If the budget is not sufficient to cover this travel, the category “Travel for Diocesan Business” could be used.
- **Background checks are 300% of budget.**
- Although travel for the Department of Communication is at 42% of budget, department expenses overall are only at 17% of budget.
- Liturgical Supplies, i.e. bishop’s candles, are at 93% of budget.
- Seminarian Financial Aid is at 60% of budget.

V. Funds from Sale of Point Reyes Property

In July, 2008, the Diocese received \$1,270,000 from the sale of the property. The following is the status of those funds as of the end of February 2011:

The balance sheet for funds:

Checking/Savings	\$ 27,204.92
Investments	\$ 438,255.17

Loans Outstanding	\$ 466,260.15
<u>Equity in Duboce & LGS Property</u>	<u>\$ 261,206.92</u>
Total Remaining Sale Assets	\$1,192,927.16

Unrealized investment gains total \$2,692.51.

Current year Income/Expenses:

Investment/Savings Income	\$ 678.03
Expenses (St Barbara Chapel)	\$ 14,425.00
Net Fund Income	(\$ -13,746.97)

VI. Mission Restricted Funds P&L

As of the end of February 2011, the Mission Restricted Funds show a net income of \$61,108.29. A mission donation of \$55,311.11 was received in addition to funds from the closed mission in Spokane. The latter funds have been reserved for the AAC/Poulsbo mission iconostasis. The LCBA Annuity account has generated \$ 494.84 in interest and the ING CD, \$21.95. At this point in time, no income has been recorded for the Mission Deanery Retreat to be held in mid February. Retreat expenses recorded so far are \$983.61.

VII. Intern Stipend Fund

Income received in June to launch the fund totaled \$29,000. As of the end of February, the balance in the fund is \$7,249. The intern can be funded through May.

VIII. Parish Assessment Receivables

The following parishes had open invoices that were **30 days or more** past due as of February 28, 2011. All assessments are due on the 15th of each month.

	> 90		DPA		Fair Share		Assembly		Total
Las Vegas, NV			\$1,003.90		\$1,618.75				\$2,622.65
Pueblo, CO	*	▲	\$1,168.05		\$227.50				\$1,395.55
Bend, OR	*	▲			\$1,006.25				\$1,006.25
Livermore, CA			\$658.75		\$341.25				\$1,000.00
Santa Barbara, CA	*				\$625.25				\$625.25
Tarzana			\$601.50						\$601.50
Santa Maria, CA					\$209.20				\$209.20
			\$3,432.20		\$4,028.20				\$7,460.40

- ▲ indicates an increase over previous month
- ▼ indicates a decrease over previous month
- ▶ indicates same as previous month

* Parishes which have outstanding invoices more than 90 days past due

Consolidated Balance Sheet - Restricted and Unrestr

03/08/2011

As of February 28, 2011

Accrual Basis

	Feb 28, 11	Feb 28, 10
ASSETS		
Current Assets		
Total Checking/Savings	469,408.57	400,190.72
Total Accounts Receivable	497,002.59	430,476.57
Total Other Current Assets	<u>509,703.10</u>	<u>525,381.89</u>
Total Current Assets	<u>1,476,114.26</u>	<u>1,356,049.18</u>
Total Fixed Assets	<u>271,251.10</u>	<u>271,251.10</u>
TOTAL ASSETS	<u><u>1,747,365.36</u></u>	<u><u>1,627,300.28</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Total Accounts Payable	3,055.15	0.00
Total Credit Cards	4,981.40	3,470.43
Total Other Current Liabilities	<u>-8,720.20</u>	<u>-4,675.23</u>
Total Current Liabilities	<u>-683.65</u>	<u>-1,204.80</u>
Total Liabilities	<u>-683.65</u>	<u>-1,204.80</u>
Equity		
Unrealized Merced Loan Interest	41,353.78	13,171.42
Unreal. Investment Gains/Losses	2,692.51	-171.00
Opening Bal Equity	313,536.26	313,536.26
Retained Operating Earnings	1,333,561.19	1,295,683.81
Net Income	<u>56,905.27</u>	<u>6,284.59</u>
Total Equity	<u>1,748,049.01</u>	<u>1,628,505.08</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,747,365.36</u></u>	<u><u>1,627,300.28</u></u>
Contributions to Net Income		
Unrestricted Funds Through Feb 28	14,377.95	
Point Reyes Fund Through Feb 28	-13,746.97	
Missions Restricted Funds	61,108.29	
Intern Stipend Fund	-4,834.00	

Unrestricted Funds Profit & Loss Budget vs. Actual

03/08/2011

January through December 2011

Accrual Basis

	<u>Jan - Dec 11</u>	<u>Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense			
Income			
Total Lights-on Income	86,099.36	331,000.00	26.01%
Total Pass Through Income	64,985.70	258,615.00	25.13%
Total Outreach (Stewards of the West)	11,478.67	40,000.00	28.7%
Total Income	<u>162,563.73</u>	<u>629,615.00</u>	<u>25.82%</u>
Gross Profit	162,563.73	629,615.00	25.82%
Expense			
Lights-on Expenses			
Total 01_Payroll Expenses	30,475.06	130,309.00	23.39%
Total 04_Travel	6,169.08	62,500.00	9.87%
Total 02_Professional Fees	5,100.00	28,640.00	17.81%
Total 05_Facilities and Equipment	3,093.00	4,800.00	64.44%
Total 03_Office Expenses	1,405.15	9,735.00	14.43%
Total 07_Department of Communications	502.79	2,925.00	17.19%
Total 06_Clergy and Parish Resources	139.15	3,650.00	3.81%
Pan Orthodox Activities	0.00	1,000.00	0.0%
Total Lights-on Expenses	<u>46,884.23</u>	<u>243,559.00</u>	<u>19.25%</u>
Total Pass Through Expenses	<u>45,207.70</u>	<u>258,615.00</u>	<u>17.48%</u>
Outreach Expenses			
Total Department of Missions	16,224.63	88,434.00	18.35%
Seminarian Financial Aid	6,000.00	10,000.00	60.0%
Total Department of Charities	200.00	5,200.00	3.85%
Total Department of Stewardship	4.70	5,200.00	0.09%
Total Youth Department	0.00	5,100.00	0.0%
Music Dept	0.00	500.00	0.0%
Intern Program	0.00	10,000.00	0.0%
Total Outreach Expenses	<u>22,429.33</u>	<u>124,434.00</u>	<u>18.03%</u>
Total Expense	<u>114,521.26</u>	<u>626,608.00</u>	<u>18.28%</u>
Net Ordinary Income	<u>48,042.47</u>	<u>3,007.00</u>	<u>1,597.69%</u>
Net Income	<u>48,042.47</u>	<u>3,007.00</u>	<u>1,597.69%</u>