



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

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July 2011 Financial Report Summary

**Prepared by
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Diocesan Treasurer
06 August 2011**

I. Executive Summary

Contributions to the Orthodox Church in Japan total \$36,723.87. All funds have been wired to Japan with the exception of the \$ 1,952 received in June. Those funds were wired in August.

The external review of 2010 financial records has begun. The review should be completed later this month.

The Finance Committee should review the 2011 budget status to date, (See Section IV) and decide what additional action, if any, needs to be taken.

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.

As of the end of July, checking and savings accounts total \$ 489,546. Accounts Receivable total \$ 517,676. See Section III for a detailed status of the receivables. Investments and other current assets total \$ 490,939. The credit card liability is \$8389. Other Current Liabilities are the direct deposit salary and stipend amounts payable in August.

See Section V for a detailed review of the restricted Point Reyes Fund assets.

See Section VI for a detailed review of the restricted Mission Funds assets.

III. Receivables and Loans Status

Parish assessment receivables as of the end of July total \$ 19,629. The total amount of receivables on the balance sheet for Fair Share and DPA is more than that reflected in the table in Section VIII, since July invoices cannot yet be 30 days past due. That table 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 \$122,571 for operating expenses since March 2009.
- 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 \$ 3,334.
- 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 \$15,012.

- 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 as of last month had a balance of \$341,121.

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

Net unrestricted income through the end of July was \$34,729. Income and expenses shown on the attached unrestricted P&L report include those through August 8. Thus the percent of budget for each category should be between 58% and 67%. Unrestricted income year-to-date is 66% of budget and expenses are 57%. The income from appeals is 60% of the 2011 budget.

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

- Payroll taxes are running at 92% of budget. The budget was created without adjusting for the increase in salary for the administrative assistant.
- Direct deposit fees are at 117% of budget. There was an increase in fees over last year.
- Travel overall is running at 46% of budget, however Seminary Visit travel is at 99% and Travel for Auditing Function is at 98%. There should be no additional expenses for these categories this year.
- Property & Liability Insurance is at 94% of budget, but there will be no additional expenses for this category this year.
- All American Council non-travel expenses are at 79% of budget. Most of the expense so far has been for the Diocesan Booth displays.
- Seminarian Financial Aid is at 80% of budget.

V. Point Reyes Funds Balance Sheet & P&L

Assets from the sale of the Point Reyes property now total \$1,196,007.20. Point Reyes sale funds are invested with Mesirow Financial and invested in short term bond funds and a government cash trust account. The balance of the restricted cash is in a Wells Fargo savings account, Chase Bank savings account, and in loans receivable. Approximately \$200,000 is still available for building expenses for the chapel at St Barbara Monastery.

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 July 2011:

The balance sheet for funds:

Checking/Savings	\$ 30,228.54
Investments	\$ 422,534.15
Loans Outstanding	\$ 482,037.59
<u>Equity in Duboce & LGS Property</u>	<u>\$ 261,206.92</u>
Total Remaining Sale Assets	\$1,196,007.20

Unrealized investment gains total \$1,121.87.

Current year-to-date Income/Expenses:

Investment/Savings Income	\$ 3,847.84
Expenses (St Barbara Chapel)	\$ 18,973.46
Net Fund Income	(\$ 15,125.62)

VI. Mission Restricted Funds Balance Sheet and P&L

Restricted Mission Funds currently total \$147,444. Mission Savings in the LCBA Annuity account is currently \$ 67,642 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 (\$13,054), and in two Wells Fargo CDs (\$50,253).

As of the end of July 2011, the Mission Restricted Funds show a net income of \$ 55,926. The LCBA Annuity account has generated \$ 1,705 in interest and the ING CD and savings account have generated \$329 in interest.

A down payment of \$6,075 has been paid on the iconostasis for the AAC which will eventually remain with the mission in Poulsbo.

VII. Parish Assessment Receivables

The following parishes had open invoices that were **30 days or more** past due as of July 31, 2011. All assessments are due on the 15th of each month.

	> 90		DPA		Fair Share		Assembly		Total
Las Vegas, NV	*	▲	\$2,217.05		\$3,237.50				\$5,454.55
Portland, OR			\$828.65		\$962.50				\$1,791.15
Bend, OR	*	▲			\$1,225.00				\$1,225.00
Tarzana, CA	*	▲	\$873.45		\$332.50				\$1,205.95
West Sacramento, CA		▼	\$831.10						\$831.10
Santa Barbara, CA	*	▲			651.5				\$651.50
Eureka, CA		▲	\$467.60		131.25				\$598.85
Menlo Park, CA					\$411.25				\$411.25
Poulsbo, WA		▶	\$240.45						\$240.45
Port Townsend, WA		▼	\$163.75						\$163.75
Redding, CA		▶			\$78.75				\$78.75
Calhan, CO		▲	\$7.90						\$7.90
San Diego, CA	*	▶	\$1.10						\$1.10
			\$5,631.05		\$7,030.25				\$12,661.30

- ▲ 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 Unres

08/06/2011

As of July 31, 2011

Accrual Basis

	<u>Jul 31, 11</u>	<u>Dec 31, 10</u>
ASSETS		
Current Assets		
Total Checking/Savings	489,545.89	428,032.41
Total Accounts Receivable	517,676.44	475,050.97
Total Other Current Assets	490,938.94	507,372.96
Total Current Assets	<u>1,498,161.27</u>	<u>1,410,456.34</u>
Total Fixed Assets	<u>271,542.64</u>	<u>271,251.10</u>
TOTAL ASSETS	<u><u>1,769,703.91</u></u>	<u><u>1,681,707.44</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Total Accounts Payable	238.83	311.28
Total Credit Cards	8,389.37	2,128.01
Total Other Current Liabilities	-6,251.20	-5,033.15
Total Current Liabilities	<u>2,377.00</u>	<u>-2,593.86</u>
Total Liabilities	2,377.00	-2,593.86
Equity		
Unrealized Merced Loan Interest	53,862.96	36,479.51
Unreal. Investment Gains/Losses	1,121.87	877.84
Opening Bal Equity	313,536.26	313,536.26
Retained Operating Earnings	1,333,407.69	1,295,530.31
Net Income	65,398.13	37,877.38
Total Equity	<u>1,767,326.91</u>	<u>1,684,301.30</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,769,703.91</u></u>	<u><u>1,681,707.44</u></u>
	<u>July 31, 2011</u>	<u>July 31, 2010</u>
Contributions to Net Income Through July 31	65,398.13	61,357.75
Unrestricted Funds	34,728.97	49,285.97
Point Reyes Fund	-15,125.62	-11,392.89
Missions Restricted Funds	55,925.78	-703.33
Intern Stipend Fund	-12,083.00	24,168.00
Japan Earthquake Relief	1,952.00	0.00

Unrestricted Funds Profit & Loss Budget vs. Actual

08/06/2011

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	236,065.25	352,239.04	67.02%
Total Pass Through Income	172,857.30	258,615.00	66.84%
Total Outreach (Stewards of the West)	23,843.69	40,000.00	59.61%
Total Income	<u>432,766.24</u>	<u>650,854.04</u>	<u>66.49%</u>
Total COGS (Portrait of American Saints)	19.17		
Gross Profit	432,747.07	650,854.04	66.49%
Expense			
Total Pass Through Expenses	151,640.30	258,615.00	58.64%
Lights-on Expenses			
01_Payroll Expenses			
Total Gross Wages	53,033.36	80,000.00	66.29%
Total Stipends	22,815.00	35,000.00	65.19%
Total Employee Benefits	8,038.50	13,237.00	60.73%
Workmans Comp	662.82	1,357.00	48.85%
Total Payroll Taxes	589.05	643.00	91.61%
Direct Deposit Fees	84.00	72.00	116.67%
Total 01_Payroll Expenses	<u>85,222.73</u>	<u>130,309.00</u>	<u>65.4%</u>
Total 04_Travel	30,338.85	65,500.00	46.32%
Total 02_Professional Fees	14,100.00	28,640.00	49.23%
Total 03_Office Expenses	6,562.51	10,235.00	64.12%
Total 05_Facilities and Equipment	4,059.51	4,800.00	84.57%
Total 09_OCA Expenses	3,085.05	4,000.00	77.13%
Total 07_Department of Communications	697.20	2,925.00	23.84%
Total 06_Clergy and Parish Resources	414.03	4,100.00	10.1%
Total 08_Diocesan Assembly	26.07		
Pan Orthodox Activities	0.00	1,000.00	0.0%
Total Lights-on Expenses	<u>144,505.95</u>	<u>251,509.00</u>	<u>57.46%</u>
Outreach Expenses			
Total Department of Missions	48,159.54	88,434.00	54.46%
Seminarian Financial Aid	8,000.00	10,000.00	80.0%
Total Youth Department	3,300.00	5,100.00	64.71%
Total Department of Charities	2,821.72	5,200.00	54.26%
Total Department of Stewardship	2,649.51	5,200.00	50.95%
Intern Program	2,000.00	10,000.00	20.0%
Music Dept	0.00	500.00	0.0%
Total Outreach Expenses	<u>66,930.77</u>	<u>124,434.00</u>	<u>53.79%</u>
Total Expense	<u>363,077.02</u>	<u>634,558.00</u>	<u>57.22%</u>
Net Ordinary Income	<u>69,670.05</u>	<u>16,296.04</u>	<u>427.53%</u>
Net Income	<u>69,670.05</u>	<u>16,296.04</u>	<u>427.53%</u>