

Introduction to Diocese of California Actual vs. Budget Income Statement at June 30, 2020

Please keep in mind the following general notes when reviewing the year to date actual vs. budget diocesan income statement as of June 30, 2020:

Revenues:

Assessment relief in the amount of \$400K or more to be granted in the second half of 2020 will lower full year assessment income.

Gift income reflects a \$300K pledge to the Resurrection Fund that will support assessment relief. A second large gift is anticipated but has not yet been recognized pending receipt of the written pledge.

The Diocese received a Payroll Protection Program loan in the amount of \$472K and expects to recognize loan forgiveness income in that amount in late 2020.

Expenses:

High travel & entertainment expense relative to budget is due to late credit card reports from diocesan staff. When credit card reports are not received by the date the Diocese pays credit cards, expense is booked to travel & entertainment in the absence of other information. Charges are reallocated to program and other expense lines upon receipt of credit card reports.

Spending was reduced in the first half of the year due to the cessation of in person meetings and events.

The Diocese expects a higher expense experience in the second half of the year as program spending tends to be backloaded in the year.

Episcopal Diocese of California
Statement of Revenues and Expenditures
1/1/2020 through 6/30/2020

Diocese of California Operating Budget at June 30, 2020	YTD Actual	YTD Budget	YTD Variance	Total Budget	% Remaining	Comments
Revenues						
Assessments	1,765,002	1,765,000	2	3,530,000		A year-end reconciliation. Will depend on assessment relief granted.
Gift Income - Current Operations	326,855	0	326,855	0		Resurrection Fund pledge of \$300K and other gifts. A second large pledge is expected.
Endowment Income	197,974	190,000	7,974	380,000		Endowment distribution is recognized over 12 months. Over budget because market returns in 2019 exceeded projection.
Christy Fund	62,500	62,500	0	125,000		+Marc contributes most of this bishop's discretionary fund to the diocesan operating budget.
Endowment Fees	32,849	28,022	4,827	56,044		Diocesan .25% fee for managing endowment
Planned Giving Fees	28,500	28,500	0	57,000		A year-end reconciliation. Will be close to budget.
Payroll Fees	37,765	37,500	265	75,000		Reimbursement of payroll fees incurred
Benefits Fee Income	89,794	76,523	13,271	153,046		Benefits administration fees
Other Income	6,197	1,000	5,197	2,000		
Interest Income	3,697	4,000	(304)	8,000		
Total Revenues	2,551,133	2,193,045	358,087	4,386,090		

Expenditures						
Episcopate						
Bishop's Compensation	101,478	101,478	0	202,955	57 %	
Benefits	39,690	38,255	(1,436)	76,509	25 %	
Program Expenses	35,000	0	(35,000)	0	0 %	Donation to Episcopal Community Services as tithe from Resurrection Fund
Commission on Ministry	1,640	8,000	6,360	16,000	90 %	Under budget YTD. June ordinations were virtual.
School for Deacons	13,724	17,500	3,776	35,000	61 %	Will resolve to budget
Archdeacons Expense	6,056	8,500	2,444	17,000	64 %	
Ordination Process Support	1,333	2,000	667	4,000	67 %	
Deanery Program	11,250	7,500	(3,750)	15,000	25 %	Will resolve to budget
Ecumenical & Interreligious Affairs	0	2,000	2,000	4,000	100 %	

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Bishop's Residence - Maintenance & Utilities	4,651	15,000	10,349	30,000	84 %	Any unspent funds will be accrued to reserve for major repairs to residence.
Diocesan Events & Hospitality	8,951	15,000	6,049	30,000	70 %	
Computer Training	95	0	(95)	0	0 %	
Conferences - Clergy	4,500	0	(4,500)	15,000	70 %	March deposit for fall clergy conference.
Executive Council	7,992	5,000	(2,992)	10,000	20 %	Will resolve to budget. Expense frontloaded due to EC retreat in January.
Episcopal Election Fund	5,000	5,000	0	10,000	50 %	Annual accrual
General Convention Accrual	15,000	15,000	0	30,000	50 %	Annual accrual
Lambeth Conference Accrual	1,000	1,000	0	2,000	51 %	Annual accrual
Standing Committee	1,029	2,000	971	4,000	74 %	
Travel - House of Bishops	407	2,000	1,593	4,000	90 %	
Travel & Entertainment	9,155	7,500	(1,655)	15,000	39 %	
Total Department Expenses	267,951	252,733	(15,219)	520,464		

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<i>Treasurer's Office</i>						
CFO Compensation	50,992	63,210	12,218	126,419	50 %	Employer contribution approved by EC reduces salary and increases benefits.
CFO Emeritus Compensation	9,009	9,007	(2)	18,014	50 %	Jim Forsyth is responsible for property tax compliance for the 30+ properties in the corporation sole and provides backup and support to the CFO and Finance Department.
Benefits	35,914	22,359	(13,556)	44,717	3 %	Employer contribution approved by EC is taken here. Offsets savings on salary line.
Audit Expense	46,000	24,000	(22,000)	67,000	31 %	2019 diocesan audit billing largely complete. A front-loaded expense. Should finish on or under budget for year.
Bank Fees	10,450	10,000	(450)	20,000	48 %	Lockbox and account fees charged by Union Bank.
Payroll Fees	64,955	51,000	(13,955)	102,000	36 %	Fees incurred administering diocesan payroll.
Outside Services	10,168	11,500	1,332	23,000	60 %	Job postings for internal auditor position, consulting services for endowment software report design, Rita LaForce office support person.
Travel & Entertainment	577	2,500	1,923	5,000	88 %	Local and CPG conference travel for CFO & payroll/benefits manager. Conferences will be virtual in 2019.
Total Department Expenses	228,065	193,575	(34,490)	406,150		

<i>Congregational Ministry</i>						
Canon to the Ordinary	70,000	70,000	0	140,000	50 %	
Associate for Congregational Ministry	48,681	48,681	0	97,363	50 %	
Vocations Assistant	9,069	18,111	9,043	36,223	75 %	Has worked fewer hours than budgeted
Archivist	2,014	3,250	1,236	6,500	69 %	Has worked fewer hours than budgeted
Benefits	49,542	49,896	354	99,791	50 %	
Program Expenses	9,448	25,250	15,802	50,500	81 %	
Clergy Wellness	2,805	1,002	(1,803)	2,000	(139)%	

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Direct Subsidies to Missions	179,205	160,000	(19,205)	320,000	45 %	This is a timing difference. We prepaid subsidies in the first half of the year. Will resolve to budget.
Travel & Entertainment	5,814	6,000	186	12,000	52 %	
Total Department Expenses	376,578	382,190	5,613	764,377		
Faith Formation						
Faith Formation Director	51,050	51,050	0	102,099	50 %	
Benefits	19,723	20,026	304	40,053	51 %	
Program Expenses	6,172	26,998	20,826	54,000	89 %	Programs and meetings have moved online
Stewardship & Cong Consulting	0	2,500	2,500	5,000	100 %	Programs and meetings have moved online
Equipping the Beloved Community Events	698	5,500	4,802	11,000	94 %	Programs and meetings have moved online
Travel & Entertainment	1,528	1,500	(28)	3,000	49 %	
Total Department Expenses	79,171	107,574	28,404	215,152		

Youth & Young Adults						
Youth & Young Adult Minister	37,042	37,041	0	74,083	51 %	
Benefits	12,718	14,006	1,288	28,011	53 %	
Program Expenses	18,418	11,246	(7,172)	22,500	18 %	Additional support for campus ministry.
Travel & Entertainment	1,136	1,500	365	3,000	62 %	
Total Department Expenses	69,314	63,793	(5,520)	127,594	62 %	
Planned Giving & Development						
Gift Planning Officer	18,825	51,967	33,142	103,934	82 %	Part-time hours for former gift planning officer for ongoing support.
Benefits	2,120	21,175	19,055	42,350	95 %	FICA and related for above.
Program Expenses	1,917	13,750	11,833	27,500	93 %	
Computer Software	2,894	0	(2,894)	0	0 %	Donor Perfect software fees.
Travel & Entertainment	10,386	4,000	(6,386)	8,000	(30)%	
Total Department Expenses	36,142	90,892	54,750	181,784		

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Administration						
Administrative Staff Salaries	240,474	237,260	(3,215)	474,519	49 %	
Administrative Staff Benefits	94,755	99,555	4,800	199,110	49 %	
Benefits - Retired Clergy Medical	12,558	12,500	(58)	25,000	50 %	Commitments made by previous bishop
Building Repairs & Maintenance	20,808	16,000	(4,808)	32,000	35 %	Overbudget YTD due to DioHouse electrical repairs
Chancellor Fees	46,350	46,350	0	92,700	50 %	Chancellor's retainer has been \$92.7K for many years
Computer Equipment	798	2,000	1,202	4,000	80 %	
Computer Repair/Maintenance	36,435	34,250	(2,185)	68,500	47 %	DioHouse's IT support contract with Synoptek.
Computer Software	15,367	10,000	(5,367)	20,000	23 %	
Depreciation Expense	40,000	40,000	0	80,000	51 %	A year-end reconciliation. Will be close to budget.
Insurance	47,630	42,500	(5,130)	85,000	44 %	Property, liability, and workers comp insurance. Timing difference. Should resolve close to budget.
Postage & Delivery	5,793	6,000	207	12,000	52 %	
Printing & Reproduction	1,231	2,500	1,269	5,000	75 %	
Real Estate Expense - Brentwood	1,000	1,000	0	16,500	94 %	Property tax and maintenance on Brentwood property. Property tax is paid in the fall.
Office Supplies	5,513	7,000	1,487	14,000	61 %	
Telephone	6,133	7,000	867	14,000	56 %	
Utilities	8,273	10,000	1,727	20,000	59 %	
Vicarage Capital Improvements	0	7,500	7,500	15,000	100 %	An end of year accrual so will resolve to budget.
Total Department Expenses	583,118	581,415	(1,704)	1,177,329	51 %	

Outside Support						
Episcopal Church Apportionment	286,151	295,000	8,849	590,000	51 %	2020 apportionment will run slightly below forecast.
Provincial Assessment	0	12,000	12,000	12,000	100 %	Assessment invoice has not yet arrived
Total Department Expenses	286,151	307,000	20,849	602,000		

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					Remaining	
<i>Multi Cultural Ministry</i>						
Afro-Anglican Commission	0	3,250	3,250	6,500	100 %	Eric submitted \$5.9K Absalom Jones expense in July.
Asian/Pacific Islander Commission	0	4,998	4,998	10,000	100 %	Commission had not incurred expenses as of 6/30 due to pandemic
Latino Commision	252	2,500	2,248	5,000	95 %	Commission had not incurred expenses as of 6/30 due to pandemic
Total Program Expenses	252	10,748	10,496	21,500	99 %	

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Justice, Peace, Integrity						
Oasis	0	500	500	1,000	100 %	no requests for support received as of 6/30.
Peace & Justice Commission	0	2,000	2,000	4,000	100 %	no requests for support received as of 6/30.
Police Chaplaincy-Marine	2,500	2,500	0	2,500	0 %	full year support has been paid
Sojourn Chaplaincy at SF General	20,000	20,000	0	20,000	0 %	full year support has been paid
Disaster Training	0	498	498	1,000	100 %	no requests for support received as of 6/30.
Commission on the Environment	0	1,000	1,000	2,000	100 %	no requests for support received as of 6/30.
World Mission	0	1,250	1,250	2,500	100 %	no requests for support received as of 6/30.
Women's Clericus	0	1,500	1,500	3,000	100 %	no requests for support received as of 6/30.
Total Program Expenses	22,500	29,248	6,748	36,000		

Camps & Campus Ministry						
Hospital Camp Support	0	3,000	3,000	3,000	100 %	Paid in August.
Campus Ministries	40,532	41,500	968	83,000	51 %	
Camp Support	48,000	48,000	0	48,000	0 %	
Total Department Expenses	88,532	92,500	3,968	134,000		

Communications						
Communication Officer's Compensation	47,166	47,166	0	94,331	51 %	
Benefits	15,343	14,591	(753)	29,181	46 %	
Program Expenses	11,959	7,500	(4,459)	15,000	20 %	
Communications Expense	0	7,500	7,500	15,000	100 %	
Convention & Journal	3,653	0	(3,653)	29,000	90 %	2019 expense arrived late from Grace Cathedral.
Travel & Entertainment	5,453	2,500	(2,953)	5,000	(9)%	
Total Department Expenses	83,574	79,257	(4,318)	187,512		
Total Expenditures	2,121,348	2,190,924	69,579	4,373,862		
Surplus/(Deficit)	429,785	2,122	427,666	12,228		