



Church of Our Saviour
July 9, 2023
Finance Forum

Agenda

- ▶ Overview Fr. Jeff
- ▶ Endowment Funds Update Jeff Ross
- ▶ Q1 2023 Financial Status David Waller
- ▶ Reserve Study David Waller
- ▶ Budget Reforecast David Waller
- ▶ Next Steps Fr. Jeff
- ▶ Q & A All

Endowment Funds Update

- ▶ **Kirk Fund:** established 1978 as true endowment managed by Bank of America
 - ▶ Annual distribution approximately 4% - 5% of principal
 - ▶ 2022 distribution: \$250,000
 - ▶ 2023 distribution: \$170,000
 - ▶ Fund lost 18% in value in 2022
- ▶ **Keck/Cleaver Fund:** Keck portion added in 1975; Cleaver portion added in 2004; managed by COS Endowment Committee
 - ▶ Annual distribution target approximately 5% of principal
 - ▶ 2001 value: approximately \$14,000,000
 - ▶ 2023 value: approximately \$5,400,000
 - ▶ Annual draws ranged from a low of \$190,000 to a high of \$1,945,000
 - ▶ Fund lost 14% in value in 2022
- ▶ **Restricted Fund:** donated at various times for specific purposes; managed by COS Endowment Committee
 - ▶ Current value: \$875,586
 - ▶ Fund lost 12% in value in 2022
- ▶ **Legacy Fund:** established 2013; original contribution amounts cannot be spent
 - ▶ Current value: \$242,980

Endowment Funds Update

Quarterly Report to Vestry - Balances as of 12/31/2022

Endowment Committee Quarterly Report to Vestry
 Quarter Ended 12/31/2022
 Endowment Fund Balances

Fund	Balance as of Dec. 31, 2021 *	YTD Fund Return	YTD Fund Additions/ (Draws) **	YTD Net Fund Increase/ (Decrease)	Balance as of Dec 31, 2022*	Year To Date Fund Return	Net Fund Change
Keck/Cleaver Funds	\$ 5,348,810.65	\$ (716,720.36)	\$ (273,396.85)	\$ (990,117.21)	\$ 4,358,693.44	-13.97%	-18.5%
Legacy Fund	\$ 111,384.16	\$ (17,954.28)	\$ 149,550.45	\$ 131,596.17	\$ 242,980.33	-13.97%	118.1%
Kirk Fund	\$ 6,461,560.37	\$ (1,183,947.22)	\$ (267,829.75)	\$ (1,451,776.97)	\$ 5,009,783.40	-18.32%	-22.5%
Total Endowment	\$ 11,921,755.18	\$ (1,918,621.86)	\$ (391,676.15)	\$ (2,310,298.01)	\$ 9,611,457.17	-16.09%	-19.4%
Restricted Funds ***	\$ 880,933.20	\$ (112,141.94)	\$ 106,794.39	\$ (5,347.55)	\$ 875,585.65	-12.20%	-0.6%

* Includes Cash Account balance

** Includes Advisory Fee

*** Restricted Fund includes \$174,173.53 for Transitional Housing

Q1 2023 Financial Status

Q1 2023 Financial Summary				
Church of Our Saviour	YTD Income			
		Actual	Budget	Variance
		\$288,822	\$320,321	-\$31,509
	YTD Expenses			
		\$291,220	\$295,889	\$4,669
A Child's Garden School	YTD Income			
		Actual	Income	Variance
		\$221,901	\$252,422	-\$30,521
	YTD Expenses			
		\$232,815	\$236,370	\$3,555
Transitioinal Housing	YTD Income			
		Actual	Income	Variance
		\$55,379	\$53,000	\$2,379
	YTD Expenses			
		\$97,018	\$91,694	-\$5,324

Reserve Study

- ▶ Reserve study includes 39 major infrastructure components
- ▶ Planning summary estimates repair/maintenance costs for identified components for 30 years
- ▶ Fully funded reserve balance requires \$1,795,033
- ▶ To fully fund the reserve balance immediately requires an initial one-time reserve contribution of \$1,300,000 + \$12,000 monthly reserve contributions beginning January 2023 with a 3% annual increase in monthly reserve contribution rate
- ▶ It may be reasonable to defer some items identified for near-term (2024 - 2030) repair/maintenance maintenance to a later dates
- ▶ The reserve study helps to guide financial planning for near-term and long-term repair/maintenance expenses

Budget Reforecast

- ▶ Review with executive committee and accountant in process
- ▶ As of 6/15/2023, identified budget updates include:
 - ▶ Revenue adjustment from initial forecast of \$1,136,726 to reforecast of \$1,103,427 (revenue decrease of \$33,299)
 - ▶ Expense adjustment from initial forecast of \$1,177,363 to reforecast of \$1,116,415 (expense decrease of \$60,948)

Next Steps

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Q & A

