

Orthodox Church in America
Treasurer's Report
For the Period January 1, 2009 through September 30, 2009

Your Beatitude, Your Eminences, Your Graces, Reverend Fathers, and members of the Metropolitan Council:

Attached is "The Statement of Activities - Unrestricted Accounts (excluding depreciation) Actual vs Budget" for the nine months ended September 30, 2009. Following is commentary on the financial results for the first nine months versus the budget.

Financial Statements

The interim financial statement presented is the Statement of Activities for the Unrestricted Accounts for the first nine months of 2009 versus the budget as amended at the Metropolitan Council meeting held in September. The results through September 30 show a surplus of \$91,811.89 **after** mortgage principal payments. This reflects a positive variance of \$34,260.85 from the budget. Our Total Operating Revenue, excluding FOS Income, is \$11,644.69 behind budget, with the major portion of this variance in the Diocesan assessments. Our Total Operating Expenses, excluding the Departmental Programs supported by FOS, are \$36,930.80 under budget overall with the following notable variances:

- Executive Office is under budget by \$17,567 due to correction of a previous over accrual of the pension expense;
- Administrative Offices are under budget by \$16,520 due to positive variances in the benefits of \$19,372 due to the pension over accrual, \$15,710 in lower legal bills, and \$4,971 in mortgage interest, partially offset by negative variances of \$6,308 in Accounting Fees (external audit) and \$13,134 in Outside Contractors.
- Metropolitan and Holy Synod Travel expenses are over budget by \$3,381 and \$6,072, respectively, while the Metropolitan Council Travel is under budget by \$3,720.
- Property Support is over budget by \$1,387 due mainly to Lawn Maintenance.
- Department of Communications is over budget by \$13,125 in the "TOC" area.
- The Departments of External Affairs and History and Archives are under budget by \$2,467 and \$1,639, respectively.
- We are under budget by a combined \$24,328 in the areas of 9/11 Fund Repayment (\$18,750), Policies and Procedures regarding Sexual Misconduct (\$1,828), and Strategic Planning (\$3,750). The 9/11 Fund Repayment was put on hold at the September meeting, and the other two areas haven't been as active as had been anticipated in the budget.

FOS Income totaled \$75,379.10 through September 30th, with departmental program expenses of \$66,982.95, leaving \$8,396.15 still to be disbursed to the programs.

Projection for Remainder of 2009

The revised budget as approved at the September 2009 Metropolitan Council meeting projected an operating surplus of \$75,867 for 2009 **after** mortgage principal payments. Although our surplus for the first three quarters of the year was \$91,811, we expect that this surplus will be reduced somewhat due to increased activity on pending litigation during the final three months of the year, with a final result close to the anticipated budget.

Respectfully submitted,

Melanie Ringa
Treasurer