

**REPORT OF THE TREASURER
55th DIOCESAN ASSEMBLY
Lansing, Illinois
October 10th and 11th, 2016**

The primary responsibilities of the Treasurer are to oversee the financial affairs of the Diocese; monitor Diocesan investments, together with the Diocesan Council and Finance Committee; oversee the distribution of funds and judiciously invest Diocesan funds; and convene and chair regular and special Finance Committee meetings. The members of the Finance Committee currently are: Bishop Paul, Fr. John Zdniak, Fr. Alexander Garklavs and Mr. Barry Gluntz. The Finance Committee also receives input from our Bookkeeper Phillip Sokolov and accountant Polly Walker. I would like to also thank Mr. Sam D'Fantis for all of his past years of service to the Diocese in working on the Finance Committee.

Attached to this report is a summary of:

- Attachment A: 2015 Profit and Loss Budget vs. Actual: January thru December 2015
- Attachment B: Summary Balance Sheet as of December 31, 2015
- Attachment C: 2016 Profit and Loss Budget vs. Actual: January thru June 30th, 2016
- Attachment D: Summary Balance Sheet as of June 30th, 2016
- Attachment E: Diocesan Parish / Mission Development Fund Status as of August 31st, 2016
- Attachment F: Fidelity Investment Account Status as of August 31st, 2016
- Attachment G: 2017 Budget: To be presented to the Diocesan Council for review and approval to the Diocesan Council Meeting prior to presenting to the Diocesan Assembly.

Attachment A: 2015 Profit and Loss Budget vs. Actual

For 2015, based on the budget, we had projected an income from assessments of \$427,162. The actual income from assessments was \$368,527.03. The total received from assessments was \$58,634.97 less than anticipated. The total actual income from all sources was \$429,677.35 compared to \$436,892.00 projected, a difference of -\$7,214.65. This shortfall was due primarily to less income from assessments than anticipated. The additional income to the Diocese was due to Convocation Income of \$11,845, Program Income of \$49,005.32 which consisted of Income received from Late Vocation class fees (\$9,847), Investment Income from the Mission Endowment Fund (\$14,598.85), the beginning of the Motor Bikes for Kenya Appeal (\$8,514.00)

and Seminarian Scholarship Appeals (\$16,045.47). In addition, \$300.00 was received for the parish reimbursement portion of Psychological Evaluations.

The total of all normal expenses for 2015 was \$481,239.42. This resulted in a deficit of \$51,562.07. Taking into consideration other income received, the interest expense on our loan and consecration expenses, there was a net deficit of \$67,188.13 for 2015.

The following is a summary of the some of the major categories. The numbers are taken from the 2015 P&L Budget vs. Actual located in Attachment "A":

- Diocesan Staff Expenses (Bishop, Chancellor, Secretary, Property Manager). The total amount spent was \$179,938.40. Due to the changes in government regulations as a result of the Affordable Health Care Act, the cost of Health Insurance and Pensions for both the Bishop and Secretary are required to be added to their base salary package. This being the case, it also increases the amount that is taken out for Social Security and Pension. The amount estimated in the budget was \$147,273.00. Adding in the Health Care estimate of \$21,140 and payroll expenses of \$767.31, the total for staff expenses was equal to \$169,180.31.

The Diocesan Staff Expenses were \$10,758.09 more than budgeted.

- Total Building Insurance Expenses were \$2,217.68 more than budgeted, \$25,719.68 vs \$23,502 budgeted.
- Professional Fees were \$2,574.50 more than budgeted, \$15,324.50 vs. \$12,750.00 budgeted. We were required to pay for background checks and psychological evaluations of parish personnel which amounted to \$5,196.90 in unanticipated expenses.
- Program expenses were \$4,298.72 more than budgeted, \$78,098.72 vs. \$73,800 budgeted.
- Repairs and Maintenance Expenses were \$3,450.81 less than budgeted, \$26,049.19 vs. \$29,500 budgeted.
- Total Stipends were \$1,829 less than budgeted, \$44,571.00 vs. \$46,400.
- Diocesan Travel Expenses were \$11,348.78 more than budgeted, \$45,848.78 vs. \$34,500 budgeted. This was primarily due to not originally including the Auditors travel expenses as part of the budget and the extensive traveling his Grace did in visiting as many parishes in the Diocese as possible during his first full year.
- Total Utility Expenses were \$7,776.46 less than budgeted, \$17,823.54 vs. \$25,600 budgeted. This was primarily due to a mild winter and low natural gas prices.
- Additional expenses were for the Consecration, \$10,232.60 vs. \$5,000 budgeted and \$9,832.58 for loan interest vs. \$9,653.54 budgeted.

Attachment B: Summary Balance Sheet as of December 31, 2015

This balance sheet is shown in Attachment B, pages 1-3, and provides a summary of all of our assets and liabilities from January 1, 2015 to December 31, 2015.

Attachment C: 2016 Profit and Loss Budget vs. Actual: January thru June 30th, 2016

For 2016, a change was made in showing Assessment Income. The income now includes the total for both the OCA Assessments and the Diocesan Assessments received. For the first six months of 2016, we had projected an income of \$436,567.98 from assessments. The actual assessments received was \$435,512.10. The amount received from assessments was \$1,055.88 less than anticipated. An additional \$11,655 was received from the Clergy Convocation and \$31,589.50 was received from program income (Late Vocations \$6,330, Motorbikes for Kenya Appeal \$23,259.50 and Seminarian Scholarships \$2,000). In addition, \$1,100 was received in the form of reimbursements from parish Psychological Evaluations. The total Income received was \$479,856.60 vs. \$460,817.88 budgeted. This resulted in total net income of \$19,038.72 greater than the amount anticipated/budgeted. The primary source of additional income was from the Motorbikes for Kenya Appeal.

For the first six months of 2016, the total of all expenses is \$621,766.28 vs an estimate of \$474,442.26 resulting in \$147,324.02 less than anticipated (top of page 4 of Attachment C). For the first six months, we show a net deficit at the end of June of \$137,502.74.

One of the long standing issues we have had in the Diocese has been a large balance in our accounts receivable which is shown on the balance sheet. At the end of 2015, this amount totaled \$394,903.70. The accounts receivable is comprised primarily of parishes that have owed the Diocese assessments. For a multitude of reasons, these funds have not been able to be paid and for one reason or another are not collectable. At the direction of Bishop Paul, letters were sent out to these parishes requesting an explanation asking why they cannot be paid and requested a payback plan. Based on a review of the individual circumstances of each parish of the explanations given, a decision was made by Bishop Paul, with concurrence by the Diocesan Council, to either forgive or reduce the amounts owed or to accept a payback plan. This effectively reduced our accounts receivable to \$220,331.27 as can be seen on the June 2016 Balance Sheet. One of the reasons it is important to reduce this amount is because when we apply for a continuation of our loan, the bank looks at all of our financial data, and having this large of an accounts receivable does not look good. In addition, by agreeing to new payment plans, additional income is received to cover the operating expenses of the Diocese. The total amount that was removed as of June 2016 is shown as Bad Debt on the P&L and totaled \$135,856.24. Note, this is not actual dollars in expenses, but it is categorized as such for the purpose of the P&L.

For the most part, the anticipated expenses per the 2016 budget are on track. However, there are a few additional items described below:

Under Program Expenses, the check was written for the Motorbikes for Kenya for a total of \$31,773.50 reflecting the funds collected at the end of 2015 and for 2016.

Under Travel for the Bishop, \$10,800 of the \$17,197.08 was for a special trip to Russia in July at the invitation of Bishop Mystyslav for the Feast of the Tikhvin Icon of the Mother of God. This was not anticipated for the 2016 budget. As we have \$6,000 in the Special Visit Reserve fund, to compensate for this expense, I plan on transferring the \$6,000 from this fund back into the Operating Fund.

Under Other Expenses on the last sheet of the P&L is \$3,000 for Youth Programs. At the December 2015 Diocesan Council Meeting, it was agreed that this money would be earmarked to fund a diocesan-wide youth event during the FOCA convention in Chicago July 22-27, 2016.

Regarding the deficit shown at the end of the P&L statement of \$137,502.74, \$135,856.24 is shown for the forgiven debt, but this is not actually an expense that was paid as part of the day to day expenses of the Diocese. However, for accounting purposes, this is how it is shown. With this in mind, the actual net dollar loss the first six months is equal to -\$1,646.50. In addition, for the \$10,800 spent for the trip to Russia, \$6,000 will be used from the Special Visit Reserve Fund (to take place later this year) resulting in a net cost of \$4,800 for the trip. Taking the above items into consideration, this would result in a net income for the Diocese of \$2,353.50 at the end of June 2016.

To date, no fund transfers have been transferred out of the OCA Reserve Fund to cover any Diocesan budget deficit. However, it is anticipated that there will be a fund transfer taking place sometime before the end of the year.

Attachment D: Summary Balance Sheet as of June 30th, 2016:

This balance sheet is shown in Attachment D, pages 1-3, and provides a summary of all of our assets and liabilities as of June 30th, 2016.

Attachment E: Diocesan Parish / Mission Development Fund Status as of August 31st, 2016:

The Mission Endowment Fund was created to provide additional funding to the Mission Department through its earnings on interest. The money is invested in both a Portfolio Fund (approximately 60%) and an Income Fund (approximately 40%) in an account with Salomon Smith Barney. We consider the Mission Endowment fund to be a long-term investment fund. As such, investment history has shown that having a mix of funds in equities and income funds provides the highest returns in the long term. Currently, the market continues to be very volatile, but this year has been on the upside compared to previous years. As of August 31st, 2016, the total in the Mission Development Fund is \$455,649.54, compared to \$428,255.99 at the start of the year, an increase of \$27,423.55 for the year. Throughout the year, you can see that monthly totals have risen and fallen quite dramatically, hitting a current fund high of \$456,419.71 at the

end of July, 2016. Since we are in it for the long term, we are not looking at the short-term variations that the market will inevitably experience. To date, there have been no additional funds added to the Mission Endowment Fund. Previously, money was allocated to this fund as part of a budget line item and when parishes in the Diocese have closed, any remaining funds were placed in this account. A summary of the monthly totals as of August 31st, 2016 as well as the progress since 12/31/1999 (\$113,216.57) is shown in Attachment E.

Attachment F: 2016 Fidelity Investment Account Status as of August 31st, 2016:

We have two money market Investment Accounts with Fidelity. The Operating Fund and Maintenance Reserve Fund. The Operating Fund consists of reserve funds for either planned or unplanned expenses. As of 8/31/2016, the total in this fund is \$256,833.87. These reserve funds were created as a result of both known expenditures that we wanted to plan and budget for, such as the General Operating Reserve Fund (\$12,227.16), Auto Reserve Fund (\$16,303.69), and expenses that were incurred that we may be unprepared for; Legal (\$37,000) and Special Visit Reserve Funds (\$6,000). So that we would be prepared for the future, the Legal and Special Visit Reserve Funds were established to provide a cushion in these areas should these expenses be incurred. They have been funded in the past as planned expenditures from our operating budget.

In August of 2015, Holy Cross Orthodox Mission in the Minneapolis Deanery was closed. As a result, the proceeds from the closing, \$103,236.15 was sent to the Diocese and deposited into the Operating Fund Money Market Account. Subsequently, \$3,236.15 was withdrawn from the account and returned the Minneapolis Deanery for Mission work. The balance of these funds, \$100,000.00, is restricted and is designated to be utilized solely by the Minneapolis Deanery to further Mission Work in their Deanery at their discretion.

It should be noted that as part of the 2015 Budget, \$5,000 was withdraw from the Bank of America checking account and deposited into the Auto Reserve Fund bringing the auto reserve total to \$16,303.69.

Bishop Job Memorial Fund: Currently there is \$12,177.76 held in escrow.

OCA Reserve Fund: The fund reached an amount of \$108,125.26 in 2015. In 2015, the Diocesan Assembly approved a deficit budget, with any required funds to cover the deficit to be taken out of this reserve fund. On 7/6/2015, \$35,000 was transferred to the Bank of America Checking Account to cover general operating fund expenditures leaving a balance of \$73,125.26 in the escrow fund. The same type of deficit budget was passed for 2016. To date, no additional funds have been transferred out of this fund. However, going forward, it is anticipated that there will be a transfer of funds before the end of the year. See page 9 for more information on the OCA Reserve Fund.

The other money market account is our Maintenance Reserve Fund, Changed (Name changed from the Maintenance Endowment Reserve Fund at the 6/22/2012 Diocesan Council Meeting.) This was previously our Building Account. However, since no major building projects are

planned for the future, the fund was renamed as a Maintenance Reserve Fund in order to have funds set aside for emergent, major maintenance should it become required. At the 6/22/2012 Diocesan Council Meeting, a motion was made and approved to transfer \$20,000 from the Special Visit Reserve Fund (\$26,000) to the Maintenance Reserve Fund. This transfer took place on 12/24/2012. As part of the 2015 Budget, \$5,000 was withdraw from the Bank of America checking account and deposited into the Maintenance Reserve Fund bringing the reserve total to \$34,203.69.

As of August 31st, 2016, there is a total of \$34,203.69 in this Fidelity Money Market Account. Since there is not enough money in this Reserve Fund to cover any major expenses, funds for any maintenance/repairs are taken from the Bank of America Checking Account as required. However, if the balance in our checking account is sufficient at the end of the year, then this money will remain in this reserve fund and not be transferred out.

Since both of these funds are money market funds, the amount of interest earned on them is negligible. This information is also shown in the Balance Sheet in Attachment D, however the balance sheet presented is as of 6/30/2015. A summary of the monthly totals for the Fidelity Account is shown in Attachment F.

At the beginning of this year, Fidelity closed our Operating Fund Money Market account and sent a check to the Diocese in the amount of \$256,833.87 where it is currently being held. This provided a good opportunity to act on the 2015 Audit Committee recommendation to invest these funds into higher interest bearing accounts. Within the next few weeks, these funds will be transferred to a newly created Morgan Stanly account that will bear higher returns, but maintain separate accounting for each of the reserve funds. The manager of the fund will be the same manager as the Diocesan Parish/ Mission Development Fund. The funds will be invested into more conservative areas to maintain the principle as these are reserve funds, but with the intent to earn a higher return than the money market account. Once the new account is created, the remaining funds in the Fidelity Maintenance Reserve Fund will be transferred out of Fidelity and into this new account.

2015 Audit Recommendation:

As mentioned above, the recommendation of the 2015 Audit was to “investigate options to re-invest the Morgan Stanley and Fidelity Securities funds with the intent of increasing the interest produced by the monies.” This recommendation is currently being implemented. Since the Morgan Stanley Funds for the Diocesan Parish/Mission Development Fund Mission are already professionally managed, no further action will be taken for this fund.

2016 Audit Recommendation:

One recommendation is to establish a written policy for Financial Record Retention, Security and Destruction. This is already in progress, however, there is no written policy. A written policy will be submitted for approval to the Diocesan Council this year. The other recommendation is to establish a procedure to follow-up on checks remaining uncashed after 90 days. This recommendation will be discussed at a future Finance Committee Meeting to discuss what actions can/should be taken.

Attachment G: Proposed Budget for 2017

Based on a motion at the 1995 Diocesan Assembly, the annual parish assessment for each adult shall be the current assessment plus an amount based on the previous 12 month Consumers Price Index (CPI), rounded up to the nearest dollar. The CPI was 0.41% for 2016. However, based on the current economic situation and the fact that the Diocese continually strives to work within its budget, improving where required and cutting back where required, there is no proposed increase in the diocesan assessment for 2017. However, the increased CPI will be applied to the compensation packages for the Bishop, Chancellor and Secretary/Bookkeeper.

Therefore, the yearly assessment for 2017 is currently proposed to remain at \$86.00 per adult member. Please note that there has been no assessment increase since 2009. At the 2015 All American Council, a funding formula was passed for the OCA. This formula is based on the combined current diocesan rate (\$86.00 per capita) and the OCA (\$90.00 per capita) assessment that is equal to \$176.00. The financial obligation to the OCA for 2017 is 48% of this total. For 2018, the financial obligation to the OCA will be 46% of this total. The 2017 Budget reflects the total income received from Assessments (Diocesan and OCA) vs. the OCA Tithing amount (Assessment paid to the OCA).

The proposed 2017 budget is essentially the same as the budget for 2016 with the following exceptions:

Income: As mentioned above, the Total Assessments received from the Diocese and OCA is shown as Assessment Income \$872,080.00. Additional income is projected to come from Program Income of \$27,000, Uncategorized Income of \$500 and Parish Reimbursements for Psychological Evaluation of \$2,000. The total anticipated income for 2017 is \$901,580.00.

Expenses: The amount paid to the OCA, "OCA Tithing" is shown under expense at \$418,598.40.

Program Expenses: Our Diocese has participated in the Episcopal Assembly in the pasts. As a result, a contribution of \$1,000 is being budgeted for our participation in 2017.

Diocesan Travel: The Bishop has sent a letter out to all Parish Rectors and Mission Priests requesting a travel assistant, sometimes called a Keleinik ("cell attendant). This individual(s) would be paid a stipend for each trip (2 -3 day) weekend trip. As a result, an amount of \$2,400 was added under Diocesan Travel.

Based on the travel expenses for the Auditors for this years' audit, a decrease in the amount allocated for travel of \$2,100 was made for 2017.

Insurance for Diocesan Center. Estimates were received from our Insurance carrier for the period of May 1 2016 – 2017. To account for premium increases, the 2016 premiums were increased by approximately 10%. \$28,435 for 2017 vs. \$26,000 budgeted for 2016.

Utilities: In the City of Chicago, new fees were imposed to cover the Pension Deficit for Police and Firemen. As a result, we are now charged for garbage pickup. An amount of \$240.00 for garbage was added under Utilities. Water rates are set to increase also, however, the current amount for 2016 should be adequate to cover any increases for 2017.

Diocesan Staff: As mentioned previously, the Consumer Price Index (CPI) for the last year was 0.41%. This increase was applied to the salaries of the Bishop, Chancellor and the Secretary/Bookkeeper.

In addition, to the adjustment made to salaries, the anticipated costs for both the Bishop and the Secretariat were made for Health Insurance Premium increases based on input from the Bishop and the Secretariat and are reflected in the salary packages. Note, for purpose of clarification and detail, the breakdown of the salary packages are shown in the proposed 2017 budget. However, in the P&L that is shown, 2016 for example, the health insurance premium paid and a portion of the pension are shown in the Bishop's and Secretariat's salary, not a separate breakdown for Health Insurance.

Diocesan Chancery Office: Various adjustments were made, both increases and decreases for the various items listed under this category. The changes resulted in a net decrease for the 2017 budget of \$2,580. (\$74,494.59 budgeted for 2016 vs \$71,914.59 budgeted for 2017.

Diocesan Loan: See next page for more information.

Taking all of the above into consideration, the 2017 budget is projected to be a deficit budget totaling **\$17,504.46**, similar to the deficits of 2015 and 2016. However, to compensate for any deficit, as in 2015 and that anticipated for 2016, the shortfall will be made up from the OCA Escrowed Funds currently held in the Bank of America Money Market Checking Account. (See Escrowed Funds below)

OCA ESCROWED FUNDS:

The final total of escrowed funds from 2013 and 2014 was \$108,125.26. Since 2015 we have passed deficit budgets with the deficit amount being made up from this reserve fund. As discussed at the 2014 Diocesan Assembly, rather than raising the assessment, the money that has been collected from our "OCA Escrow account" has been utilized to make up any shortfall in the budget for 2015, 2016 and for 2017. Last year, \$35,000 was withdrawn to cover general expenses, leaving a balance of \$73,125.26 in the escrow. As mentioned earlier, no additional funds have been transferred out of this fund to date for this year. However, going forward, it is anticipated that there will be a transfer of funds before the end of this year. Further, it is anticipated that these funds may last another year or two barring any major unknown/unplanned expenses. **However, at the end of 2017 or 2018, when this reserve fund may be close to depletion, we will have to address the budget shortfall we have had for the last several years in order to pass a balanced budget. It is hoped that this will be accomplished by implementing a new Tithing Program in the Diocesan that will meet the needs of the Diocese.**

DIOCESAN LOAN INFORMATION:

The 5 year term for the original \$250,000 loan from Bank of America to cover major maintenance issues at both the residence and Christ the Savior Church was due in February of 2012. Loan renewal paperwork was submitted in December of 2011 and a new 5 year term for the loan was approved. The original interest rate for the loan was 7.1% with a 5 year balloon with monthly payments of \$1,814.81. The new 5 year term for the loan is for a starting balance of \$227,050.67 with an interest rate of 4.68%. At the end of this 5 year term, March of 2017, the outstanding balance will be \$189,410.57.

The last payment of the existing loan commitment will be due March 6, 2017. After March, we do not know what the terms for the new 5 year loan installment payments will be. It is anticipated that the interest on the loan renewal will be the same or less. For the purpose of the 2017 budget, an estimate was provided considering the same interest rate on the loan for the next 5 years and included in the budget.

Contact will be made with our account representative at the Bank of America to start making arrangements for the renewal of the loan in early 2017.

CLOSING:

Beginning in 2009 we switched to using QuickBooks. With the current system setup, Polly, Philip, Fr. John and myself have been able to remotely access the data in QuickBooks at any time from our personal computers should the need arise. Also, in addition to all of the above, Polly reviews all of the income, expenses and investments and ensures that everything is categorized properly in QuickBooks and meets standard accounting practices given our current set-up. The goal when this effort was started was to ensure that the financial condition of the Diocese would remain transparent at any time and information available when requested. This remains a work in progress and we continue to make changes as required and as appropriate.

I would also like to thank Philip Sokolov who is not only the Secretariat of the Diocese, but also our bookkeeper and Polly Walker as our accountant. I would also like to thank the other members of the Finance Committee, our Chancellor, Fr. John Zdniak, Fr. Alexander Garklavs and Mr. Barry Gluntz, who all deserve a big thanks for the extra time and effort they put in throughout the year and once again, for their valuable advice and ideas presented throughout the year. I also would like to thank Bishop Paul Gassios for his input and understanding of our financial matters. Finally, I would again like to thank my wife Karen for her patience and support during this time.

During 2016, Mr. Sam D'Fantis had to step down from his position on the Finance Committee. Sam was a long time member of this committee and I would like to thank him for his valuable time, input and questioning attitude for the decisions and discussions that took place as part of this Committee.

It has been a pleasure serving the Diocese as Treasurer this past year.

Sincerely,



Robert A. Koncel, Treasurer

Diocese of the Midwest

2016 DIO ASSEMBLY TREASURER REPORT.DOC

**Please see the following pages for all of the Attachments
identified on the first page.**

2016 DIOCESAN TREASURER'S REPORT

ATTACHMENT “A”

2015 Profit and Loss Budget vs. Actual: January thru December 2015

Diocese of the Midwest - OCA
Profit & Loss Budget vs. Actual
January through December 2015

	Jan - Dec 15	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Assessment Income	368,527.03	427,162.00	-58,634.97
Convocation Income	11,845.00	9,250.00	2,595.00
Program Income			
Late Vocations	9,847.00		
Missions	14,598.85		
Motorbikes for Kenya Appeal	8,514.00		
Scholarships			
Support our Seminarians Appeal	15,294.47		
Scholarships - Other	751.00		
Total Scholarships	16,045.47		
Total Program Income	49,005.32		
Psychological Evaluations	300.00		
Uncategorized Income	0.00	480.00	-480.00
Total Income	429,677.35	436,892.00	-7,214.65
Gross Profit	429,677.35	436,892.00	-7,214.65
Expense			
Advertising	110.00	500.00	-390.00
Automobile Expense	788.72	1,000.00	-211.28
Bank Service Charges	184.10	50.00	134.10
Convocations	14,501.96	9,250.00	5,251.96
Diocesan Assembly Expense			
2015 Diocesan Assembly	1,776.00		
Total Diocesan Assembly Expense	1,776.00		
Dues & Subscriptions	134.00	60.00	74.00
Fines & Penalties	199.13		
Hospitality	5,692.78	2,400.00	3,292.78
Insurance			
Auto	1,383.86	285.00	1,098.86
Health Insurance			
Bishop	0.00	10,140.00	-10,140.00
Secretariat	0.00	11,000.00	-11,000.00
Total Health Insurance	0.00	21,140.00	-21,140.00
Liability	1,658.47	1,650.00	8.47
Property	20,778.35	20,043.00	735.35
Workers' Comp	1,899.00	1,524.00	375.00
Total Insurance	25,719.68	44,642.00	-18,922.32
Internet Service Provider	2,684.68	2,500.00	184.68
Library & Periodicals	37.75		
Liturgical Supplies	624.49		
Miscellaneous	215.83		
Office Supplies	5,827.09	4,000.00	1,827.09
Outside Contractors	0.00	1,200.00	-1,200.00
Payroll Expenses			
Taxes	767.31		
Total Payroll Expenses	767.31		
Postage	1,913.34	3,600.00	-1,686.66
Printing & Reproduction	0.00	500.00	-500.00

Diocese of the Midwest - OCA
Profit & Loss Budget vs. Actual
January through December 2015

	Jan - Dec 15	Budget	\$ Over Budget
Professional Fees			
Accounting	6,500.00	6,000.00	500.00
Audit	0.00	2,000.00	-2,000.00
Background Checks	4,596.90		
Investment Fund Management Fees	3,097.88	3,000.00	97.88
Legal	0.00	1,200.00	-1,200.00
Payroll Preparation	529.72	550.00	-20.28
Psychological Evaluations	600.00		
Total Professional Fees	15,324.50	12,750.00	2,574.50
Program Expense			
Charity	0.00	1,000.00	-1,000.00
Late Vocations	11,279.24	6,000.00	5,279.24
Mission Grants	39,582.15	46,800.00	-7,217.85
Seminarian Scholarships			
Budgeted Portion	15,454.53	20,000.00	-4,545.47
Fundraisers Portion	11,782.80		
Total Seminarian Scholarships	27,237.33	20,000.00	7,237.33
Total Program Expense	78,098.72	73,800.00	4,298.72
Repairs and Maintenance			
Labor	24,278.96	8,000.00	16,278.96
Maintenance	115.00	5,000.00	-4,885.00
Repairs	115.00	12,000.00	-11,885.00
Supplies	1,540.23	4,500.00	-2,959.77
Total Repairs and Maintenance	26,049.19	29,500.00	-3,450.81
Salaries & Wages			
Bishop			
Discretionary Fund	0.00	1,200.00	-1,200.00
Life Insurance	0.00	1,000.00	-1,000.00
Pension	5,973.24	8,960.00	-2,986.76
Salary	66,570.00	40,000.00	26,570.00
Social Security	5,092.61	9,792.00	-4,699.39
Total Bishop	77,635.85	60,952.00	16,683.85
Chancellor			
Pension	1,773.00	3,103.00	-1,330.00
Salary	26,882.64	22,162.00	4,720.64
Social Security	1,885.14	3,391.00	-1,505.86
Total Chancellor	30,540.78	28,656.00	1,884.78
Property Manager			
Pension	2,200.00	3,360.00	-1,160.00
Salary	11,112.00	6,000.00	5,112.00
Social Security	0.00	3,672.00	-3,672.00
Total Property Manager	13,312.00	13,032.00	280.00
Secretariat			
Other Pay	500.00		
Pension	3,815.16	5,136.00	-1,320.84
Salary	50,551.44	36,690.00	13,861.44
Social Security	3,583.17	2,807.00	776.17
Total Secretariat	58,449.77	44,633.00	13,816.77
Total Salaries & Wages	179,938.40	147,273.00	32,665.40
Service Contracts	4,527.49	3,600.00	927.49
Stipends			
Bishop's Stipend	3,471.00	5,600.00	-2,129.00
Communications Director	3,600.00	3,600.00	0.00

Diocese of the Midwest - OCA
Profit & Loss Budget vs. Actual
January through December 2015

	Jan - Dec 15	Budget	\$ Over Budget
Deans			
Chicago			
Stipend	3,600.00	3,600.00	0.00
Total Chicago	3,600.00	3,600.00	0.00
Cleveland			
Stipend	3,600.00	3,600.00	0.00
Total Cleveland	3,600.00	3,600.00	0.00
Indianapolis			
Stipend	3,600.00	3,600.00	0.00
Total Indianapolis	3,600.00	3,600.00	0.00
Kansas City			
Stipend	3,900.00	3,600.00	300.00
Total Kansas City	3,900.00	3,600.00	300.00
Michigan			
Stipend	3,600.00	3,600.00	0.00
Total Michigan	3,600.00	3,600.00	0.00
Minneapolis			
Stipend	3,600.00	3,600.00	0.00
Total Minneapolis	3,600.00	3,600.00	0.00
Total Deans	21,900.00	21,600.00	300.00
Late Vocations Coordinator			
Stipend	12,000.00	12,000.00	0.00
Total Late Vocations Coordinator	12,000.00	12,000.00	0.00
Treasurer			
Stipend	3,600.00	3,600.00	0.00
Total Treasurer	3,600.00	3,600.00	0.00
Total Stipends	44,571.00	46,400.00	-1,829.00
SUSPENSE	0.00		
Taxes and Licenses	289.00	130.00	159.00
Telephone	7,591.94	12,000.00	-4,408.06
Travel			
Auditors	3,278.51		
Bishop	13,821.64	6,000.00	7,821.64
Chancellor	3,391.44	3,000.00	391.44
Deans	0.00	3,000.00	-3,000.00
Diocesan/Bishop's Council	23,301.81	20,000.00	3,301.81
Late Vocations	994.00	1,000.00	-6.00
Metropolitan Council	386.35	1,000.00	-613.65
Secretariat	675.03	500.00	175.03
Total Travel	45,848.78	34,500.00	11,348.78
Utilities			
Electric	7,491.23	7,000.00	491.23
Gas	8,921.45	16,000.00	-7,078.55
Water & Sewer	1,410.86	2,600.00	-1,189.14
Total Utilities	17,823.54	25,600.00	-7,776.46
Total Expense	481,239.42	455,255.00	25,984.42
Net Ordinary Income	-51,562.07	-18,363.00	-33,199.07

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08/24/16

Accrual Basis

Diocese of the Midwest - OCA
Profit & Loss Budget vs. Actual
January through December 2015

	<u>Jan - Dec 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Other Income/Expense			
Other Income			
Consecration Income	4,410.00		
Gain (Loss) on Sale of Assets			
Long-Term	-2,530.00		
Short-Term	24.90		
Gain (Loss) on Sale of Assets - Other	0.89		
Total Gain (Loss) on Sale of Assets	-2,504.21		
Insurance Rebate	735.00		
Investment Income	37.90		
Other Income	1,760.43		
Total Other Income	4,439.12		
Other Expense			
Interest Expense	9,832.58	9,653.54	179.04
Other Expense			
Consecration Expense	10,232.60	5,000.00	5,232.60
Total Other Expense	10,232.60	5,000.00	5,232.60
Total Other Expense	20,065.18	14,653.54	5,411.64
Net Other Income	-15,626.06	-14,653.54	-972.52
Net Income	-67,188.13	-33,016.54	-34,171.59

2016 DIOCESAN TREASURER'S REPORT

ATTACHMENT “B”

Summary Balance Sheet as of December 31st, 2015

Diocese of the Midwest - OCA

Balance Sheet

As of December 31, 2015

	Dec 31, 15
ASSETS	
Current Assets	
Checking/Savings	
Bank of America Checking	44,281.12
Fidelity Funds	
Fidelity Govt Money Market	34,198.46
Fidelity Money Market	256,805.39
Total Fidelity Funds	291,003.85
MS 8772 Inv Advisory Fund	
Net Unsettled Purchases/Sales	-71.44
MS Liquid Asset Fund	7,033.90
Stocks	131,377.28
Exch Tr & Closed End Funds	57,493.80
Mutual Funds	8,098.76
Total MS 8772 Inv Advisory Fund	203,932.30
MS 8774 Basic Sec Income Fund	
Exch Tr & Closed End Funds	15,828.53
MS Liquid Asset Fund	2,257.86
Mutual Funds	206,207.30
Total MS 8774 Basic Sec Income Fund	224,293.69
Savings Bonds	
Series EE Bond X2887816EE	15,716.00
Series EE Bond X2887817EE	15,716.00
Series EE Bond X2887818EE	15,716.00
Total Savings Bonds	47,148.00
Total Checking/Savings	810,658.96
Accounts Receivable	
Accounts Receivable	394,903.70
Total Accounts Receivable	394,903.70
Total Current Assets	1,205,562.66
Fixed Assets	
Fixed Assets	
Computers	11,768.61
Furniture & Fixtures	4,429.78
Vehicles	9,000.00
Total Fixed Assets	25,198.39
Total Fixed Assets	25,198.39
TOTAL ASSETS	1,230,761.05
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	239.25
Total Accounts Payable	239.25
Other Current Liabilities	
Due to OCA Assessments	602,180.63

Diocese of the Midwest - OCA
Balance Sheet
As of December 31, 2015

	Dec 31, 15
Payroll Liabilities	
Federal Taxes (941/944)	6,301.66
IL Withholding	659.24
OH Local Tax	134.40
OH Withholding	172.96
Total Payroll Liabilities	7,268.26
Total Other Current Liabilities	609,448.89
Total Current Liabilities	609,688.14
Long Term Liabilities	
N/P Bank of America	199,385.06
Total Long Term Liabilities	199,385.06
Total Liabilities	809,073.20
Equity	
Temp. Restricted Net Assets	
Archbp Job Scholarship Mem Fd	12,177.76
Auto Reserve	20,303.69
General Operating Reserve	11,949.34
Legal Reserve	37,000.00
Maintenance Reserve	29,192.60
Mission Funds	-25,457.76
Seminarian Reserve	-5,548.98
Seminarian Scholarships	-47,184.50
Special Visit Reserve	6,000.00
Total Temp. Restricted Net Assets	38,432.15
Unreal Gain (Loss) on SvgBonds	
Series EE Bond X2887816EE	5,716.00
Series EE Bond X2887817EE	5,716.00
Series EE Bond X2887818EE	5,716.00
Total Unreal Gain (Loss) on SvgBonds	17,148.00
Unreal Gain (Loss) on Invest	
Fidelity	
S-T Gain (Loss) on Investments	
Govt Money Market	1.29
Spartan Money Market	10.28
Total S-T Gain (Loss) on Investments	11.57
Total Fidelity	11.57
MS 8772 Inv Adv (Port Fund)	
8772 LT Gain (Loss) on Invest	
8772 Exc & Closed End Funds	30,458.88
8772 Stock	60,425.49
Total 8772 LT Gain (Loss) on Invest	90,884.37
8772 ST Gain (Loss) on Invest	
8772 Mutual funds	-72.84
8772 Stock	-503.56
Total 8772 ST Gain (Loss) on Invest	-576.40
Total MS 8772 Inv Adv (Port Fund)	90,307.97

Balance Sheet

As of December 31, 2015

	Dec 31, 15
MS 8774 Basic Sec (Inc Fund)	
8774 LT Gain (Loss) on Invest	
8774 Exc & Closed End Funds	-9,889.13
8774 Mutual Funds	11,459.41
Total 8774 LT Gain (Loss) on Invest	1,570.28
8774 ST Gain (Loss) on Invest	
8774 Exc & Closed End Funds	-138.18
8774 Mutual Funds	-71.44
Total 8774 ST Gain (Loss) on Invest	-209.62
Total MS 8774 Basic Sec (Inc Fund)	1,360.66
Total Unreal Gain (Loss) on Invest	91,680.20
Unrestricted Net Assets	238,379.48
Net Income	36,048.02
Total Equity	421,687.85
TOTAL LIABILITIES & EQUITY	1,230,761.05

2016 DIOCESAN TREASURER'S REPORT

ATTACHMENT “C”

2016 Profit and Loss Budget vs. Actual: January thru June 30th, 2016

Diocese of the Midwest - OCA
Profit & Loss Budget vs. Actual
January through June 2016

	Jan - Jun 16	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Assessment Income	435,512.10	436,567.98	-1,055.88
Convocation Income	11,655.00	13,500.00	-1,845.00
CTS Reimbursement	0.00	0.00	0.00
Diocesan Assembly 2013 Income	0.00	0.00	0.00
OCA 2013 \$10 Escrow	0.00	0.00	0.00
Program Income			
Late Vocations	6,330.00	3,499.98	2,830.02
Motorbikes for Kenya Appeal	23,259.50		
Scholarships			
Support our Seminarians Appeal	2,000.00	6,000.00	-4,000.00
Scholarships - Other	0.00	999.96	-999.96
Total Scholarships	2,000.00	6,999.96	-4,999.96
Total Program Income	31,589.50	10,499.94	21,089.56
Psychological Evaluations	1,100.00		
Uncategorized Income	0.00	249.96	-249.96
Total Income	479,856.60	460,817.88	19,038.72
Gross Profit	479,856.60	460,817.88	19,038.72
Expense			
OCA Tithe	199,151.74	223,245.00	-24,093.26
Advertising	110.00	54.96	55.04
Automobile Expense	533.24	600.00	-66.76
Bad Debt	135,856.24		
Bank Service Charges	0.00	24.96	-24.96
Convocations	10,400.21	13,500.00	-3,099.79
Dues & Subscriptions	173.20	195.00	-21.80
Fines & Penalties	0.00	0.00	0.00
Hospitality	2,140.92	1,500.00	640.92
Insurance			
Auto	801.96	750.00	51.96
Health Insurance			
Bishop	0.00	0.00	0.00
Secretariat	0.00	0.00	0.00
Total Health Insurance	0.00	0.00	0.00
Liability	829.08	849.96	-20.88
Life			
Bishop	0.00	499.98	-499.98
Total Life	0.00	499.98	-499.98
Property	10,541.96	10,650.00	-108.04
Workers' Comp	381.00	750.00	-369.00
Total Insurance	12,554.00	13,499.94	-945.94
Internet Service Provider	1,401.22	1,350.00	51.22
Library & Periodicals	0.00	24.96	-24.96
Liturgical Supplies	320.00		
Miscellaneous	162.95	249.96	-87.01
Office Supplies	2,527.35	1,800.00	727.35
Outside Contractors	240.00		
Payroll Expenses			
Taxes	0.00	0.00	0.00
Total Payroll Expenses	0.00	0.00	0.00
Postage	714.27	750.00	-35.73
Printing & Reproduction	0.00	49.98	-49.98

Diocese of the Midwest - OCA
Profit & Loss Budget vs. Actual
January through June 2016

	Jan - Jun 16	Budget	\$ Over Budget
Professional Fees			
Accounting	3,000.00	3,000.00	0.00
Background Checks	791.48	999.96	-208.48
Counseling	-1,764.50		
Investment Fund Management Fees	1,528.76	1,500.00	28.76
Legal	0.00	600.00	-600.00
Parish Health Facilitator	0.00	4,999.98	-4,999.98
Payroll Preparation	226.93	240.00	-13.07
Psychological Evaluations	2,200.00	3,999.96	-1,799.96
Website Support	75.00		
Total Professional Fees	6,057.67	15,339.90	-9,282.23
Program Expense			
Charity	0.00	499.98	-499.98
Late Vocations	9,791.40	3,499.98	6,291.42
Mission Development	2,916.67		
Mission Grants	13,666.65	23,400.00	-9,733.35
Motorbikes for Kenya Appeal	31,773.50		
Seminarian Scholarships			
Budgeted Portion	10,000.00	9,999.96	0.04
Fundraisers Portion	17,294.50	6,000.00	11,294.50
Other Fundraiser Expense	0.00	999.96	-999.96
Total Seminarian Scholarships	27,294.50	16,999.92	10,294.58
Total Program Expense	85,442.72	44,399.88	41,042.84
Repairs and Maintenance			
Labor	9,966.98	3,000.00	6,966.98
Maintenance	0.00	99.96	-99.96
Repairs	0.00	6,000.00	-6,000.00
Supplies	1,320.71	1,500.00	-179.29
Total Repairs and Maintenance	11,287.69	10,599.96	687.73
Salaries & Wages			
Bishop			
Discretionary Fund	0.00	600.00	-600.00
Life Insurance	0.00	499.98	-499.98
Pension	2,986.62	2,986.20	0.42
Salary	33,285.00	33,277.92	7.08
Social Security	2,546.30	2,546.28	0.02
Total Bishop	38,817.92	39,910.38	-1,092.46
Chancellor			
Pension	886.50	886.50	0.00
Salary	13,441.32	13,441.32	0.00
Social Security	1,028.27	1,028.28	-0.01
Total Chancellor	15,356.09	15,356.10	-0.01
Property Manager			
Pension	960.00	960.00	0.00
Salary	5,556.00	5,556.00	0.00
Social Security	0.00	0.00	0.00
Property Manager - Other	0.00	0.00	0.00
Total Property Manager	6,516.00	6,516.00	0.00
Secretariat			
Pension	1,907.58	1,907.58	0.00
Salary	25,275.72	21,600.00	3,675.72
Social Security	1,933.60	644.52	1,289.08
Total Secretariat	29,116.90	24,152.10	4,964.80
Total Salaries & Wages	89,806.91	85,934.58	3,872.33

Diocese of the Midwest - OCA
Profit & Loss Budget vs. Actual
January through June 2016

	Jan - Jun 16	Budget	\$ Over Budget
Service Contracts	2,687.34	1,800.00	887.34
Stipends			
Communications Director	1,800.00	1,800.00	0.00
Deans			
Chicago			
Stipend	1,800.00	1,800.00	0.00
Total Chicago	1,800.00	1,800.00	0.00
Cleveland			
Stipend	1,800.00	1,800.00	0.00
Total Cleveland	1,800.00	1,800.00	0.00
Indianapolis			
Stipend	1,800.00	1,800.00	0.00
Total Indianapolis	1,800.00	1,800.00	0.00
Kansas City			
Stipend	1,800.00	1,800.00	0.00
Total Kansas City	1,800.00	1,800.00	0.00
Michigan			
Stipend	1,800.00	1,800.00	0.00
Total Michigan	1,800.00	1,800.00	0.00
Minneapolis			
Stipend	1,800.00	1,800.00	0.00
Total Minneapolis	1,800.00	1,800.00	0.00
Total Deans	10,800.00	10,800.00	0.00
Late Vocations Coordinator			
Stipend	6,000.00	6,000.00	0.00
Total Late Vocations Coordinator	6,000.00	6,000.00	0.00
Treasurer			
Stipend	1,800.00	1,800.00	0.00
Total Treasurer	1,800.00	1,800.00	0.00
Total Stipends	20,400.00	20,400.00	0.00
SUSPENSE	0.00	0.00	0.00
Taxes and Licenses	0.00	60.00	-60.00
Telephone	4,123.20	4,050.00	73.20
Travel			
Auditors	0.00	0.00	0.00
Bishop	17,197.08	6,750.00	10,447.08
Chancellor	2,340.48	999.96	1,340.52
Deans	87.69	1,500.00	-1,412.31
Diocesan/Bishop's Council	7,360.05	6,700.00	660.05
Late Vocations	0.00	499.98	-499.98
Metropolitan Council	106.00	249.96	-143.96
Secretariat	7.00	333.32	-326.32
Total Travel	27,098.30	17,033.22	10,065.08

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Accrual Basis

Diocese of the Midwest - OCA
Profit & Loss Budget vs. Actual
January through June 2016

	Jan - Jun 16	Budget	\$ Over Budget
Utilities			
Garbage	108.93		
Electric	2,636.18	3,900.00	-1,263.82
Gas	5,458.44	7,500.00	-2,041.56
Water & Sewer	373.56	1,080.00	-706.44
Total Utilities	8,577.11	12,480.00	-3,902.89
Total Expense	621,766.28	468,942.30	152,823.98
Net Ordinary Income	-141,909.68	-8,124.42	-133,785.26
Other Income/Expense			
Other Income			
Consecration Income	0.00	13.00	-13.00
Gain (Loss) on Sale of Assets	5,690.12	0.00	5,690.12
Insurance Rebate	1,214.00		
Interest Income	6.23		
Investment Income			
Fidelity	31.39		
Smith Barney	5,163.52		
Investment Income - Other	0.00	0.00	0.00
Total Investment Income	5,194.91	0.00	5,194.91
Other Income	4.70	1,999.98	-1,995.28
Total Other Income	12,109.96	2,012.98	10,096.98
Other Expense			
Interest Expense	4,703.02	4,647.30	55.72
Other Expense			
Youth Programs	3,000.00		
Total Other Expense	3,000.00		
Total Other Expense	7,703.02	4,647.30	3,055.72
Net Other Income	4,406.94	-2,634.32	7,041.26
Net Income	-137,502.74	-10,758.74	-126,744.00

2016 DIOCESAN TREASURER'S REPORT

ATTACHMENT “D”

Summary Balance Sheet as of June 30th, 2016

Diocese of the Midwest - OCA
Balance Sheet
As of June 30, 2016

	Jun 30, 16
ASSETS	
Current Assets	
Checking/Savings	
Bank of America Checking	307,306.46
Fidelity Funds	
Fidelity Govt Money Market	34,201.37
Total Fidelity Funds	34,201.37
MS 8772 Inv Advisory Fund	
MS Liquid Asset Fund	515.98
Stocks	142,434.07
Exch Tr & Closed End Funds	55,460.80
Mutual Funds	8,076.70
Total MS 8772 Inv Advisory Fund	206,487.55
MS 8774 Basic Sec Income Fund	
Exch Tr & Closed End Funds	16,711.83
MS Liquid Asset Fund	2,497.98
Mutual Funds	214,224.66
Total MS 8774 Basic Sec Income Fund	233,434.47
Savings Bonds	
Series EE Bond X2887816EE	16,032.00
Series EE Bond X2887817EE	16,032.00
Series EE Bond X2887818EE	16,032.00
Total Savings Bonds	48,096.00
Total Checking/Savings	829,525.85
Accounts Receivable	
Accounts Receivable	220,331.27
Total Accounts Receivable	220,331.27
Other Current Assets	
Undeposited Funds	18,920.37
Total Other Current Assets	18,920.37
Total Current Assets	1,068,777.49
Fixed Assets	
Fixed Assets	
Computers	13,067.61
Furniture & Fixtures	4,429.78
Vehicles	9,000.00
Total Fixed Assets	26,497.39
Total Fixed Assets	26,497.39
TOTAL ASSETS	1,095,274.88
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	4,753.56
Total Accounts Payable	4,753.56
Other Current Liabilities	
Due to OCA Assessments	602,180.63

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Accrual Basis

Diocese of the Midwest - OCA

Balance Sheet

As of June 30, 2016

	Jun 30, 16
Payroll Liabilities	
Federal Taxes (941/944)	6,297.96
IL Withholding	658.92
OH Local Tax	134.40
OH Withholding	172.96
Total Payroll Liabilities	7,264.24
Total Other Current Liabilities	609,444.87
Total Current Liabilities	614,198.43
Long Term Liabilities	
Due to Mpls Deanery Missions	101,366.15
N/P Bank of America	195,286.14
Total Long Term Liabilities	296,652.29
Total Liabilities	910,850.72
Equity	
Temp. Restricted Net Assets	
Archbp Job Scholarship Mem Fd	12,177.76
Auto Reserve	20,303.69
General Operating Reserve	11,949.34
Legal Reserve	37,000.00
Maintenance Reserve	29,192.60
Mission Funds	-36,877.56
Seminarian Reserve	-5,548.98
Seminarian Scholarships	-72,479.00
Special Visit Reserve	6,000.00
Total Temp. Restricted Net Assets	1,717.85
Unreal Gain (Loss) on SvgBonds	
Series EE Bond X2887816EE	6,032.00
Series EE Bond X2887817EE	6,032.00
Series EE Bond X2887818EE	6,032.00
Total Unreal Gain (Loss) on SvgBonds	18,096.00
Unreal Gain (Loss) on Invest	
Fidelity	
S-T Gain (Loss) on Investments	
Govt Money Market	1.29
Spartan Money Market	10.28
Total S-T Gain (Loss) on Investments	11.57
Total Fidelity	11.57
MS 8772 Inv Adv (Port Fund)	
8772 LT Gain (Loss) on Invest	
8772 Exc & Closed End Funds	28,425.88
8772 Stock	59,436.75
Total 8772 LT Gain (Loss) on Invest	87,862.63
8772 ST Gain (Loss) on Invest	
8772 Mutual funds	-94.90
8772 Stock	-1,027.13
Total 8772 ST Gain (Loss) on Invest	-1,122.03
Total MS 8772 Inv Adv (Port Fund)	86,740.60

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Accrual Basis

Diocese of the Midwest - OCA

Balance Sheet

As of June 30, 2016

	Jun 30, 16
MS 8774 Basic Sec (Inc Fund)	
8774 LT Gain (Loss) on Invest	
8774 Exc & Closed End Funds	-9,542.63
8774 Mutual Funds	16,634.04
Total 8774 LT Gain (Loss) on Invest	7,091.41
8774 ST Gain (Loss) on Invest	
8774 Exc & Closed End Funds	-30.22
8774 Mutual Funds	394.04
Total 8774 ST Gain (Loss) on Invest	363.82
Total MS 8774 Basic Sec (Inc Fund)	7,455.23
Total Unreal Gain (Loss) on Invest	94,207.40
Unrestricted Net Assets	207,905.65
Net Income	-137,502.74
Total Equity	184,424.16
TOTAL LIABILITIES & EQUITY	1,095,274.88

2016 DIOCESAN TREASURER'S REPORT

ATTACHMENTS “E” and “F”

Attachment “E”

**Diocesan Parish / Mission Development
Fund Status as of August 31st, 2016**

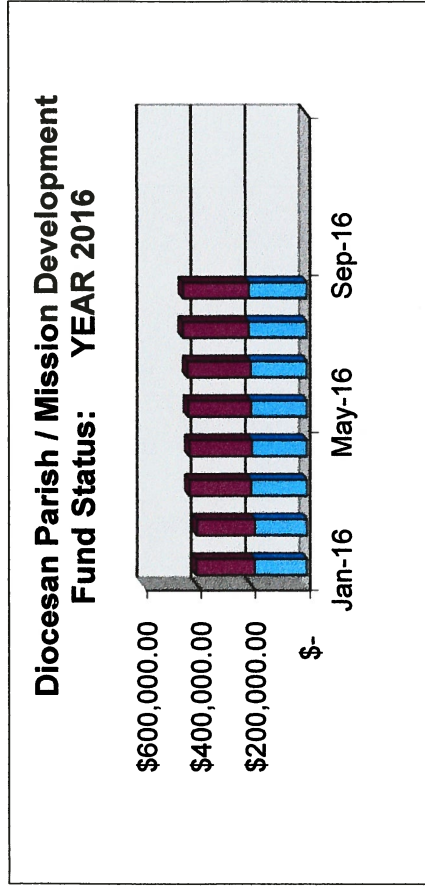
Attachment “F”

**Fidelity Investment Account Status as of
August 31st, 2016**

DIOCESAN PARISH / MISSION DEVELOPMENT FUND STATUS FOR 2016

Morgan Stanley/Smith Barney: Yearly Summary			
Portfolio Fund	Income Fund	Total of Both Funds	
12/31/1999	\$76,901.68	\$36,314.89	\$113,216.57
12/31/2000	\$55,941.71	\$35,833.37	\$91,775.08
12/31/2001	\$48,666.52	\$39,127.56	\$87,794.08
12/31/2002	\$29,910.32	\$35,685.27	\$65,595.59
12/31/2003	\$40,302.91	\$46,454.48	\$86,757.39
12/31/2004	\$65,577.59	\$94,944.45	\$160,522.04
12/31/2005	\$73,368.45	\$106,883.52	\$180,251.97
12/31/2006	\$80,468.45	\$138,634.24	\$219,102.69
12/31/2007	\$122,947.79	\$170,513.99	\$293,461.78
12/31/2008	\$80,842.09	\$110,129.02	\$190,971.11
12/31/2009	\$108,519.41	\$147,874.94	\$256,394.35
12/31/2010	\$129,492.41	\$166,087.12	\$295,579.53
12/31/2011	\$129,973.68	\$159,986.27	\$289,959.95
12/31/2012	\$150,262.53	\$184,556.53	\$334,819.06
12/31/2013	\$194,762.29	\$218,837.99	\$413,600.28
12/31/2014	\$202,298.31	\$232,521.19	\$434,819.50
12/31/2015	\$ 203,932.30	\$ 224,293.69	\$428,225.99

Morgan Stanley/Smith Barney: Monthly Summary			
Portfolio Fund	Income Fund	Total of Both Funds	
105833	105834		
1/31/2016	\$ 192,547.62	\$ 214,971.16	\$ 407,518.78
2/29/2016	\$ 191,498.88	\$ 213,517.10	\$ 405,015.98
3/31/2016	\$ 205,037.72	\$ 227,082.64	\$ 432,120.36
4/30/2016	\$ 202,420.11	\$ 229,913.96	\$ 432,334.07
5/31/2016	\$ 205,249.48	\$ 231,440.74	\$ 436,690.22
6/30/2016	\$ 206,487.55	\$ 233,434.47	\$ 439,922.02
7/31/2016	\$ 214,081.78	\$ 242,337.93	\$ 456,419.71
8/31/2016	\$ 213,441.42	\$ 242,208.12	\$ 455,649.54
9/30/2016		\$ -	-
10/31/2016		\$ -	-
11/30/2016		\$ -	-
12/31/2016		\$ -	-
Gain/Loss	\$9,509.12	\$17,914.43	\$27,423.55



**2016 FIDELITY INVESTMENT ACCOUNT STATUS:
OPERATING RESERVE FUNDS AND MAINTENANCE RESERVE FUND**

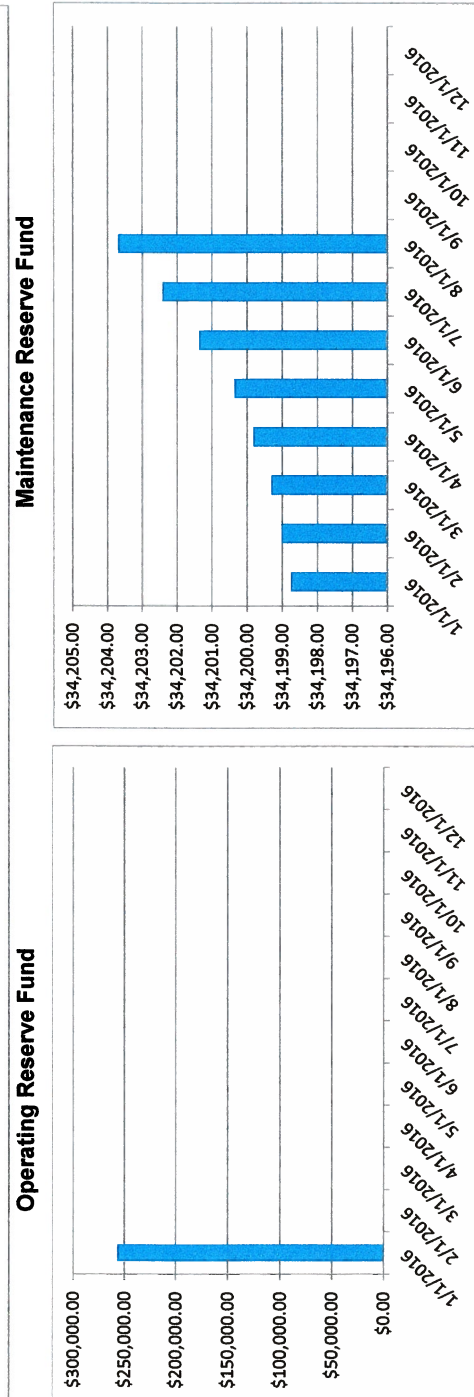
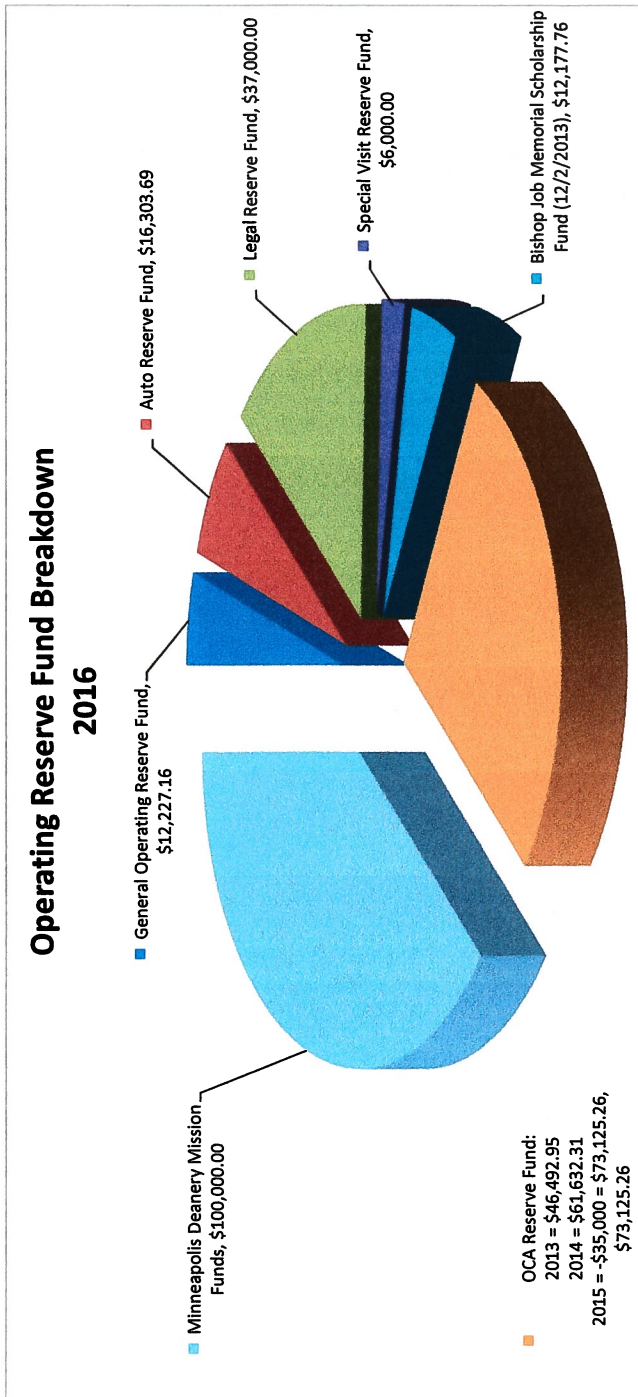
OPERATING FUND (SPRXX)	TOTALS	MAINTENANCE RESERVE FUND (SPAXX)	TOTALS	FUND TOTALS
12/31/2015	\$256,805.39	12/31/2015	\$34,198.46	\$291,003.85
1/31/2016	\$256,833.87	1/31/2016	\$34,198.75	\$291,032.62
2/29/2016	\$0.00	2/29/2016	\$34,199.02	\$34,199.02
3/31/2016	\$0.00	3/31/2016	\$34,199.31	\$34,199.31
4/30/2016	\$0.00	4/30/2016	\$34,199.82	\$34,199.82
5/31/2016	\$0.00	5/31/2016	\$34,200.35	\$34,200.35
6/30/2016	\$0.00	6/30/2016	\$34,201.37	\$34,201.37
7/31/2016	\$0.00	7/31/2016	\$34,202.43	\$34,202.43
8/31/2016	\$0.00	8/31/2016	\$34,203.69	\$34,203.69
9/30/2016		9/30/2016	\$0.00	\$0.00
10/31/2016		10/31/2016	\$0.00	\$0.00
11/30/2016		11/30/2016	\$0.00	\$0.00
12/31/2016		12/31/2016	\$0.00	\$0.00
*Gain/Loss	\$28.48		\$5.23	-\$256,800.16

Note, Based on the motion made at the June 2012 Diocesan Council meeting, on 12/24/2012, \$20,000 was transferred from the Special Visit Reserve Fund in our Operating Fund to the Maintenance Reserve Fund
Note, \$46,892.95 deposited in Operating Reserve Fund on 1/2/14 for funds for the OCA Escrow Account for the year 2013
Note, For 2014, \$11,712.37, \$16,187.98, \$5,873.44, \$2,749.55, \$3,846.82, \$5,993.23, \$5,398.58, \$4,802.87 and \$5,067.47 were deposited in Operating Reserve Fund on 3/14/14, 6/13/14, 7/31/14, 8/28/14, 9/8/14, 10/29/14, 11/14/14, 12/15/14 and 12/31/14. Total of \$108,125.26 deposited for funds for the OCA Escrow Account for the years 2013 and 2014
*On 6/24/15, \$9,000 was transferred from Auto Reserve Fund account to the Bank of America Money Market/Checking Account to cover the cost of vehicle purchase from Bishop Paul
**On 7/6/15, \$35,000 was transferred from the OCA Reserved Fund account to the Bank of America Money Market/Checking Account to cover General Fund Expenditures.
***On 8/24/15, \$103,236.15 was deposited into the account for the Minneapolis Deanery due to the sale of Church Property. These funds are currently parked here until they can be moved to a more suitable investment
****On 10/15/15, at the request of the Minneapolis Deanery, \$3,236.15 was withdrawn and deposited into the Bank of America checking account where a check was written back to the Minneapolis Deanery for Missions work.
*****On 12/28/2015, Based on the 2015 Budget, \$5,000 was withdrawn from the Bank of America Money Market/Checking Account and deposited into the Operating Fund for the Auto Reserve Fund and \$5,000 was with drawn from the same account and deposited into the Maintenance Reserve Fund.
On 1/22/2016, Fidelity closed the Operating Fund Account. The total in the fund, \$256,833.87 was transferred into the Bank of America Money Market Account where it will remain until it is reinvested. IT IS SHOWN HERE FOR INFORMATION ONLY.

**2016 FIDELITY INVESTMENT ACCOUNT STATUS:
OPERATING RESERVE FUNDS AND MAINTENANCE RESERVE FUND**

Operating Reserve Fund Breakdown Summary from 2009 to 12/31/2016			NOTES:
General Operating Reserve Fund	\$12,227.16		
Auto Reserve Fund	\$16,303.69		Used Ford Edge Purchased on 9/22/11 for \$19,751.09. Rather than transfer this entire amount into the Bank of America (BOM) Money Market account, it will be distributed as follows: \$7,680 transferred from this account to BOM on 12/13/11 to cover the Bishops Pension Payment. \$11,191.79 moved from Auto Reserve into new category for escrow: Parish Development Ministry, balance in Dept. at 2010 year end. (per Diocesan Council Motion) Total of funds moved is equal to \$18,871.79. Purchased Ford Focus from Bishop Paul for \$9,000 on 5/19/2015. However, did not withdraw funds from Auto Reserve Fund until 6/24/2015. The \$9,000 was deposited into the Bank of America Money Market/Checking Account. On 12/28/2015, based on the 2015 Budget, \$5,000 was withdrawn from the Bank of America Money Market/Checking Account and deposited into the Auto Reserve Fund.
Legal Reserve Fund	\$37,000.00		
Special Visit Reserve Fund	\$6,000.00		\$20,000 transferred from the Special Visit Reserve Fund to the Maintenance Reserve fund on 12/24/2012 based on June 22, 2012 Diocesan Council Motion
Bishop Job Memorial Scholarship Fund (12/2/2013)	\$12,177.76		12/02/2013: Created from funds from a rebate from the 16th All American Council Held in Seattle (Oct/Nov. 2011) to the Diocese of the Midwest. Voted and accepted by the delegates present at the 51st Diocesan Assembly in Broadview Heights to create the fund. See minutes; Other Business, Section XV1.A, Funds transferred from BOA Checking Acc into Fidelity Fund on 12/02/2013.
OCA Reserve Fund: 2013 = \$46,492.95 2014 = \$61,632.31 2015 = -\$35,000 = \$73,125.26	\$73,125.26		As of 6/30/2013: \$10 per member in assessments held by the Diocese due to the OCA decreasing the assessment from \$105 per person to \$95 per person. (Actual Dollar amount calculated based on a percentage basis. 5.2% of funds received from parishes for 2013.) Money to be used by the Diocese to fund programs no longer funded by the OCA or at the discretion of the Diocese. This decision was reaffirmed at the 52nd Dio. Assembly in Lansing, IL. Funds transferred from BOA Checking Acc into Fidelity Fund on 12/28/2013. They were deposited in the Fidelity Account on 1/2/2014. Note, For 2014: on 3/14/14; \$11,712.37; 6/13/14; \$16,187.98; 7/31/14; \$5,873.44; 8/28/14; \$2,749.55; 9/8/14; \$3,846.82; 10/29/14; \$5,993.23 11/14/14; \$5,398.58; 12/15/14; \$4,802.87 and on 12/31/14 (Actually Deposited on 1/5/15); \$5,067.47 = \$61,641.61 was deposited in Operating Reserve Fund
Minneapolis Deanery Mission Funds	\$100,000.00		On 8/24/15, \$103,236.15 was deposited into the Fidelity Account from the Minneapolis Deanery. On 10/15/15, \$3,236.15 was transferred back to the Bank of America Checking account and a check for the same amount was written to the Minneapolis Deanery for Mission work.
7/6/15: \$35K Withdrawal from OCA Reserve Fund 1/22/2016			On 7/6/15, \$35,000 was transferred from this OCA Reserve Fund into the Bank of America Money Market fund to cover general expenditures.
			Fidelity closed the account on 1/22/2016. The funds were transferred into the Bank of America Money Market Account where it will remain until reinvested. IT IS SHOWN HERE FOR INFORMATION ONLY.
TOTAL	\$256,833.87		

2016 FIDELITY INVESTMENT ACCOUNT STATUS:
OPERATING RESERVE FUNDS AND MAINTENANCE RESERVE FUND



2016 DIOCESAN TREASURER'S REPORT

ATTACHMENT “G”

Proposed budget for 2017

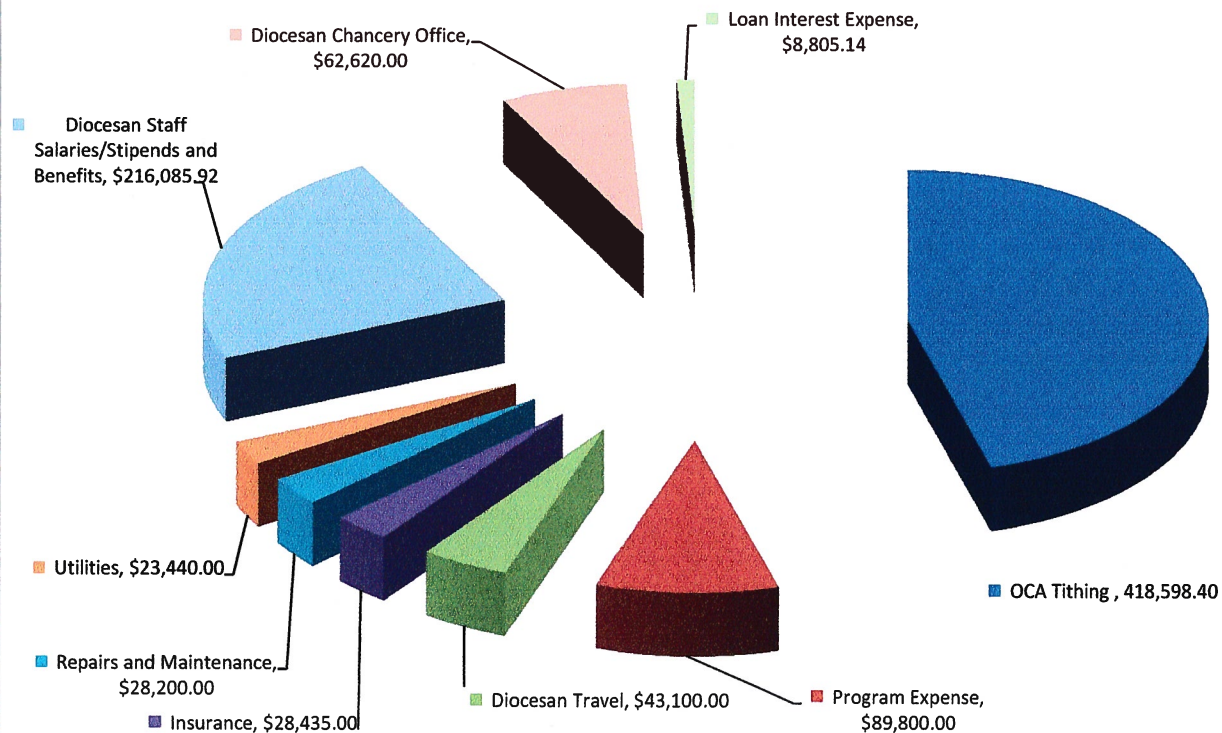
**To be presented to the Diocesan Council
for Approval at the meeting before the
Diocesan Assembly prior to presenting to
the Diocesan Assembly for Approval**

2017 Budget Executive Summary

Income Based on a Membership of 4,955 x \$176/Person (OCA + Diocesan Assmt) = \$872,080 + \$12,000 from Clergy Convocation, \$12,000 from Support our Seminaries Appeal (SOS), \$2,000 from other Scholarship Contributions, \$7,000 from Late Vocations, \$500 Misc. and \$2,000 Reimbursement by Parishes for Psychological Evaluations.
Total Income = \$901,580

OCA Tithing	418,598.40	(48% of \$176.00 per person
Program Expense	\$89,800.00	Missions, Late Vocations, Charity, Seminarian Scholarships
Diocesan Travel	\$43,100.00	Bishop, Chancellor, Secretary, Deans, Diocesan/Bishop's/ Metropolitan Council
Insurance	\$28,435.00	Property, Auto, Umbrella and Workers Compensation
Repairs and Maintenance	\$28,200.00	Maintenance, Supplies, Maint Reserve Fund, Repairs and Maintenance Labor: Plumbing, Heating and Cleaning.
Utilities	\$23,440.00	Garbage, Electric, Gas, Water
Diocesan Staff Salaries/Stipends and Benefits	\$216,085.92	Bishop, Chancellor, Secretariat, Property Mgr./Deans, Treasurer, Communication Director and Late Vocations Stipends
Diocesan Chancery Office	\$62,620.00	Office related expenses including Automobile, Telephone, Service Contracts, Clergy Convocation, Investment Mgmt Fees and Professional Fees
Loan Interest Expense	\$8,805.14	Interest on Diocesan Loan from Bank of America
TOTAL EXPENSES	\$919,084.46	Income Shortfall Covered by "OCA Reserve Funds" in Fidelity MM Acc. as passed by the 52nd Diocesan Assembly in Lansing, IL,

2017 Budget Executive Expense Summary



Note, the deficit of \$17,504.46 (Income \$901,580) vs. Expenses (\$919,084.46) is made up from the "OCA Reserve Fund" currently held in the Bank of America MM Checking Account as passed by the 52nd Diocesan Assembly in Lansing, IL , 2014.

**Diocese of the Midwest - OCA
2017 Proposed Budget**

Ordinary Income / Expenses

Income

Assessment Income (\$176.00 x 4,955 people: 6 less than 2016)	\$ 872,080.00
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Program Income

Convocation	\$ 12,000.00	
Support our Seminarians Appeal (SOS)	\$ 6,000.00	
Scholarship (Other Contributions)	\$ 2,000.00	
Late Vocations	\$ 7,000.00	
Total Program Income	\$ 27,000.00	\$ 27,000.00

Uncategorized Income	\$ 500.00	
Psych Evaluations (50% Reimb from parishes)	\$ 2,000.00	
Additional Income	\$ 2,500.00	\$ 2,500.00

Total Income	\$ 901,580.00
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Expense

OCA Tithing (48% of \$176.00 per person)	\$ 418,598.40
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Program Expense

Charity	\$ 1,000.00	
Donation to Episcopoc Assembly	\$ 1,000.00	
Mission Grants	\$ 46,800.00	
Late Vocations	\$ 7,000.00	
Scholarships		
Budgeted Portion	\$ 20,000.00	
Fundraisers Portion (SOS)	\$ 12,000.00	
Scholarships - Other	\$ 2,000.00	
Total Scholarships	\$ 34,000.00	

Total Program Expense	\$ 89,800.00
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Diocesan Travel

Bishop	\$ 13,500.00	
Bishop's Keleunik	\$ 2,400.00	(Est at \$200/Mo. i.e. 1x per mo at \$200 each trip)
Chancellor	\$ 3,000.00	
Secretariat	\$ 500.00	
Deans	\$ 1,200.00	
Late Vocations	\$ 1,000.00	
Diocesan / Bishop's Council	\$ 20,000.00	
Metropolitan Council	\$ 500.00	
Auditors	\$ 1,000.00	
Total Diocesan Travel	\$ 43,100.00	\$ 43,100.00

Diocese of the Midwest - OCA
2017 Proposed Budget

Diocesan Center

Insurance

Auto	\$ 1,760.00
Property	\$ 23,210.00
Umbrella	\$ 1,815.00
Workers Comp	\$ 1,650.00

Total Insurance **\$ 28,435.00**

Repairs and Maintenance

Maintenance	\$ 200.00	
Supplies	\$ 3,000.00	
Maintenance Reserve Fund	\$ 5,000.00	
Repairs and Maintenance Labor	\$ 20,000.00	(Plumbing, Heating, Cleaning)

Total Repairs and Maintenance **\$ 28,200.00**

Utilities

Garbage	\$ 240.00
Electric	\$ 7,000.00
Gas	\$ 15,000.00
Water & Sewer	\$ 1,200.00

Total Utilities **\$ 23,440.00**

Total Diocesan Center **\$ 80,075.00** **\$ 80,075.00**

Diocesan Staff (As of July 2016, CPI is + 0.41%)

Bishop

Salary	\$ 40,164.00	(0.0041 CPI Increase)x(\$40,000)
Social Security (15.3% x \$74,660)	\$ 11,544.77	15.3% x (Salary + \$24k Housing+ Health Ins)
Health Insurance	\$ 11,292.00	(\$934 x 9 mo)+(\$962 x 3 mo)
Life Insurance	\$ 1,000.00	
Pension (8%) (Diocese)	\$ 6,036.50	8% x (Salary + \$24k Housing+ Health Ins)
Pension (6%) (Employee)	\$ 4,527.36	6% x (Salary + \$24k Housing+ Health Ins)
Discretionary Fund	\$ 1,200.00	

Total Bishop **\$ 75,764.63**

Chancellor

Salary	\$ 22,253.00	(0.0041 CPI Increase)x(\$22,162)
Social Security	\$ 3,405.00	(Salary x 15.3%)
Pension (8%) (Diocese)	\$ 1,780.00	(Salary x 8%)
Pension (6%) (Employee)	\$ 1,335.00	(Salary x 6%)

Total Chancellor **\$ 28,773.00**

Diocese of the Midwest - OCA

2017 Proposed Budget

Secretariat

Salary	\$ 36,840.43	(0.0041 CPI Increase)x(\$36,690)
Health Insurance	\$ 11,426.13	(\$942.75 x 8 mo)+(\$971.03x4 mo)
Social Security = (Salary + Health Ins.)	\$ 3,692.40	7.65% x (Salary + Health Ins.)
Pension (8%) (Diocese)	\$ 2,861.33	8% x (Salary + Health Ins.)
Pension (6%) (Employee)	\$ 2,896.00	6% x (Salary + Health Ins.)

Total Secretariat \$ 57,716.29

Property Manager

Salary	\$ 6,000.00	
Social Security	\$ 3,672.00	15.3%x(Salary + \$18k Housing)
Pension (8%): 8% x \$24k	\$ 1,920.00	8% x (Salary + Housing)
Pension (6%): 6% x \$24k	\$ 1,440.00	6% x (Salary + Housing)

Total Property Manager \$ 13,032.00

Deans

Chicago		
Stipend	\$ 3,600.00	
Total Chicago		\$ 3,600.00

Cleveland		
Stipend	\$ 3,600.00	
Total Cleveland		\$ 3,600.00

Indianapolis		
Stipend	\$ 3,600.00	
Total Indianapolis		\$ 3,600.00

Kansas City		
Stipend	\$ 3,600.00	
Total Kansas City		\$ 3,600.00

Michigan		
Stipend	\$ 3,600.00	
Total Michigan		\$ 3,600.00

Minneapolis		
Stipend	\$ 3,600.00	
Total Minneapolis		\$ 3,600.00

Total Deans \$ 21,600.00

Treasurer		
Stipend	\$ 3,600.00	
Total Treasurer		\$ 3,600.00

Communications Director \$ 3,600.00

Late Vocations \$ 12,000.00

Total Diocesan Staff \$ 216,085.92 \$ 216,085.92

**Diocese of the Midwest - OCA
2017 Proposed Budget**

Diocesan Chancery Office

Advertising	\$ 120.00
Automobile Expense	\$ 1,200.00
Automobile Reserve Fund	\$ 5,000.00
Bank Service Charges	\$ 50.00
Dues & Subscriptions (WebEx/Angies List)	\$ 600.00
Hospitality	\$ 3,000.00
Diocesan Insurance Policy on Bishop	\$ 1,000.00
Internet Service Provider	\$ 3,000.00
Interest Expenses (Loan)	\$ 8,805.14
Library & Periodicals	\$ 50.00
Investment Fund Management Fees	\$ 3,200.00
Miscellaneous Expenses	\$ 500.00
Office Supplies	\$ 4,000.00
Postage	\$ 1,500.00
Printing & Reproduction	\$ 100.00

Professional Fees

Accounting	\$ 6,000.00
Legal	\$ 1,200.00
Payroll Preparation	\$ 480.00
Background Checks	\$ 2,000.00
Psychological Evaluations	\$ 4,000.00

Total Professional Fees \$ 13,680.00

Seminars & Meetings (Convocation)	\$ 12,000.00
Service Contracts (Pitney Bowes/Tyco Security)	\$ 5,400.00
Taxes and Licenses	\$ 120.00
Telephone	\$ 8,100.00

Total Diocesan Chancery Office \$ 71,425.14 \$ 71,425.14

Total Expense

\$ 919,084.46

Total Income (Page 1)

\$ 990,509.60

***Deficit**

\$ (17,504.46)

***Note, the projected deficit is made up from "OCA Reserve Fund" held in Fidelity Money Market Account as passed by the 52nd Diocesan Assembly in Lansing, IL, 2014**