

Local Church Audit Program

The purpose of this program is to provide basic procedures using non-technical language so that local churches can more easily comply with the annual audit requirement. Here are things you'll need:

The church bookkeeper and the Financial Secretary should be present.

All of the financial records for the year should be available.

A calculator.

A deck of cards to help with record selection. Pull out Ace through Queen of one suit to use.

You'll also want to make sure these specific documents are available:

A copy of the previous audit.

Washington Secretary of State Non-Profit Corporation Annual Report

Washington State Department of Revenue Property Tax Exemption Renewal Declaration

The current bank signature card(s)

The annual budget

The Local Report to the Annual Conference

The Annual Apportionment notice

The Pastoral Support Worksheet

Payroll tax returns for all four quarters of the year

General information

Church name: **KENNEWICK FIRST UNITED METHODIST CHURCH**

District: **SEVEN RIVERS**

Audit year **2022**

When was the last church audit? **2021**

Who performed it? **KFUMC Finance and Stewardship Team**

Write a few sentences about the financial skill level of the person(s) that performed the previous audit.

One member is a retired CPA and Controller of a large corporation; the other members have business, management, or equivalent experience.

Who is performing this audit? **KFUMC Finance and Stewardship Team**

Write a few sentences about the financial skill level of the person(s) that are performing this audit.

One member is a retired CPA and Controller of a large corporation, One has a PhD in business, the other members have business, management or equivalent experience including small business ownership.

Do you have a copy of the previous audit? Yes ☒ No ☐

Does the church have an Audit Committee? Yes ☐ No ☒ Audits have been delegated to the Finance and Stewardship Ministry Team

Describe the method used for bookkeeping (e.g. QuickBooks or another computer based program, spreadsheets, hand written ledgers etc.)

Quickbooks as the primary accounting system with Excel used for some reporting.

Describe the recordkeeping system used by the Financial Secretary.

Handwritten records with a computer program, Church Windows.

Where are the accounting records kept, e.g. on the church premises, in the home of the Treasurer, bookkeeper or Financial Secretary? **Church Premises**

Who performs the bookkeeping, e.g. a church volunteer or an outside bookkeeping service?

Our part-time bookkeeper, Sharon Varzandeh (16-20 hours per week)

Is the person that does the bookkeeping paid? Yes ☒ No ☐ If yes, what is the pay rate? \$19.26/hr

What was the church's net surplus (or loss) for the year being audited? **(\$200,310) after \$88,007**

Depreciation Expense

What were the total church receipts from all sources for the year being audited? **\$427,334** The previous year? **\$1,006,609** Two years previous? **\$675,855** Prior year included PPP Loan and Employee Retention Credits from the government.

Compliance and Controls

Is any of the church's finance related mail (e.g. bank statements, invoices, tax returns) sent to an address other than the church? **NO**

Get a copy of the Washington Secretary of State Non-Profit Corporation Annual Report. What date was it filed? **02/01/2022** Was the report filed by the due date? Yes ☒ No ☐

Get a copy of the Washington State Department of Revenue Property Tax Exemption Renewal Declaration. What date was it filed? **02/01/2022 for the year 2021** Due date is March 31st.

Treasurer's name: **Sharon Varzandeh** How long in this role? **4.5 years** Who is their backup? **Cheryl Nixon**

Financial Secretary's name: **Roberta Barcot** How long in this role? **4 years** Who is their backup? **Cheryl/Sharon**

Per the Book of Discipline 258.4 the Treasurer and the Financial Secretary should not be the same person.

Do two people count the offering? Yes ☒ No ☐ Are they unrelated? Yes ☒ No ☐

Per the Book of Discipline 258.4(a) two persons should count the offering and those two persons should not be members of the same immediate family.

Who receives the bank statements? **Sharon Varzandeh**

Who reconciles (balances) the checking account? **Sharon Varzandeh** Being Changed to Roberta

Who writes the checks? **Sharon Varzandeh**

It is best if the person that writes the checks is different than the person that balances the checking account. Who are the authorized check signers? List their names.

Sharon Varzandeh Cheryl Nixon Cynthia Bement Richard Nelson

Get a copy of all the current bank signature cards. Are current check signers listed on the signature cards?

Yes ☒ No ☐

Is anybody that is no longer involved in church finances still listed on the signature card? Yes ☐ No ☒

Reporting

Are monthly financial statements reports prepared? Get a copy of the September financial reports for the year being audited. Which persons or committees receive a copy of the financial statements? Write their names here.

Finance and Stewardship Ministry Team Admin Ministry Team Church Leadership Council Pastor Mark McMurray

Is an annual budget prepared? Yes ☒ No ☐ Get a copy. Was it approved? Yes ☒ No ☐

Approved by who? **Church Leadership Council** When? **January 25, 2023**

Does anybody compare actual results to the budget? Yes ☒ No ☐ How often? **Monthly**

Write their name(s) here: **Rich Nelson Sharon Varzandeh Pastor Mark McMurray Roberta Barcot Jane Hunt Carol Kerkow Audrey Manley Cory Manley**

Do members of the congregation receive an annual report of their giving? Yes ☒ No ☐

Get a copy of the Local Report to the Annual Conference. Are the amounts on the report supported by the year-end financial statement? Yes ☒ No ☐

Receipts

How is the offering count recorded? Write a few sentences about the offering counting procedure including the form in which the offering is recorded. Include how the Treasurer or bookkeeper receives notice of the weekly bank deposit amount.

Roberta counts the offering and writes it on an internal deposit slip (Exhibit A) and a bank deposit slip, both of which are given to Sharon. Sharon enters the amount into Quickbooks.

Other than the Treasurer, who receives a copy of the weekly offering report? Write their names here:

Pastor Mark

Ask the above persons what they do with the weekly offering report.

Pastor Mark looks at it and files it in his drawer.

Shuffle and draw a card from the 12 you have set aside. The Ace to Queen correspond to months January through December. Get a copy of the form used to record the offering for the second week of the month selected.

What date was the second Sunday of the month? **September 11, 2022**

How much was the deposit? **\$5,712.50**

Find the deposit on the bank statement. Write the date of the bank deposit here: **9/15/22 (Exhibit B)**

Is the offering deposited on the next business day following Sunday? Yes ☐ No ☒ The deposit bag is picked up by the bank later in the week.

If deposits are made after Sunday, where is the deposit kept Sunday night? **Locked in the Office Safe.**

Disbursements

Shuffle and draw a card from the 12 you have set aside. For the month selected get a copy of the Monthly Conference Remittance form. This is the form used to remit apportionments and other special offerings to the Conference office.

What is the total amount remitted as shown for lines 1, 3, 5, 9, 12 and 23? **\$6,141.45 in March; \$6,141.45 in October**

Get a copy of the Annual Apportionment notice from the Conference office. Are the amounts for lines 1 through 6 the same as remitted? Yes ☒ No ☐ If not, who authorized payment of a different amount?

Do clergy or other persons receive reimbursement for expenses? Are written expense reports and receipts required? **Yes** ☒ **No** ☐

Shuffle and draw a card from the 12 you have set aside. The Ace to Queen correspond to months January through December. Get a copy of the bank reconciliation for the month selected. Which month? **March and October**

Was the bank reconciliation performed on a timely basis? **Yes** Write the date the reconciliation was performed here: **4/4/22 and 11/4/22** It is best if the reconciliation is performed within 30 days of the bank statement date.

What is the date of the oldest outstanding check on the reconciliation? **3/8/2018 in both March and October. Bookkeeper has significantly reduced the number of outstanding checks.** It is best if items over a few months old are investigated.

On the bank reconciliation, does the bank balance match the bank statement? **Yes** ☒ **No** ☐

Does the check register balance on the bank reconciliation match the financial statement balance?

Yes ☐ **No** ☒ For the months sampled, journal entries were not considered in the reconciliation. This was corrected in the December Year-End processing. 2023 is correct.

Shuffle and draw a card from the 12 you have set aside, twice. Which two months? **March and October**

For the two months selected and for January, compare every check written to the documents supporting the check (invoices, expense reports, receipts, payroll records, etc.) accomplished for both months.

Are non-recurring invoices approved before payment? **Yes** ☒ **No** ☐ Most are but some are not.

For the two months selected and January, look at the bank statement deduction detail. Are there deductions from the checking account as a result of automatic payments or other items not requiring a check (e.g. electronic payments?) **Yes** ☒ **No** ☐ If yes, list them here. Make sure the payments are currently authorized and the proper amount. **3/2/22 ACH Monthly \$9.66; 3/2/22 Moon Security \$157.41; 3/2/22 Bankcard \$61.72; 10/3/22 Bankcard \$77.42; 10/3/22 Moon Security \$163.00; 10/4/22 ACH Monthly \$11.01**

Payroll and Payroll Taxes

Get a copy of the Pastoral Support Worksheet and fill in the components of the approved compensation:

Cash salary (Box 1)	\$69,057
Housing Exclusion (Box 2)	\$6,695
Housing (Box 4 or 5)	\$18,889

Plan Compensation (Box 6) **\$94,447**

Does the Pastors payroll compensation match the Pastoral Support Worksheet approved at Charge Conference? Yes ☒ No ☐

Do all church employees receive a W-2? Yes ☒ No ☐

What date were the W-2's issued to employees? **1/24/23** The due date is typically January 31st.

What date was the W-2 package mailed to the Social Security Administration? **1/24/23** The due date is typically February 28th.

Get a copy of the 3rd quarter report to the Department of Labor & Industries (workers compensation)
Write the total wages from the Gross Payroll column here: **\$62,828.00**

Write the total workers hours here **2,858**

What is the total tax due? **\$935.68**

What date was the report submitted? **10/06/2022**

Who signed the report? **Prepared and electronically filed by Sharon Varzandeh**

Was the amount due paid by check or electronic payment? Check **X** Electronic payment

What's the check/payment date **10/24/2022** check number (if applicable) **19654** and amount of the payment? **\$935.68**

Get a copy of the 3rd quarter Federal Form 941.

What is the amount on line 2? **\$62,350.94**

What is the amount on line 5a column 1? **\$43,890.24**

If line 2 and line 5a are different, what is the reason? **The pastor's compensation not subject to SS**

What are the total taxes due on line 10? **\$8,631.21**

How was the amount on line 10 remitted? By check or by payroll tax deposits? **Payroll tax deposits**

If by payroll tax deposits, write down the date and amount of the deposits that total line 10 here.

07/14/22-->\$1,505.56 7/28/22-->\$1,774.92 08/02/22-->\$16.62 08/11/22-->\$1,535.14 08/30/22-->\$1,253.88 9/14/22-->\$1,219.70 9/29/22-->\$1,325.38 Total-->\$8,631.20

If the deposits were made using EFTPS (a method for electronic payment of payroll tax deposits) trace the amount and date of the deposits for the quarter to the bank statements. Electronic payments were made and payment dates were traced to bank stmts.

Does line 2 of the 941 agree to gross wages on the Labor & Industries report for the same quarter? ?

Yes ☐ No ☒

Do hourly employees turn in time cards? ? Yes ☒ No ☐ If yes, find the time cards for the March payroll and see if they match the number of hours the employee was paid.

Does the church have anybody working as an independent contractor? These persons are sometimes referred to as a "1099 employees." Write the names of independent contractors and their job description here. **No independent contractors.**

Are church employees covered by state unemployment insurance? Yes ☐ No ☒ Churches are generally exempt from state unemployment insurance. Is the church paying Federal Unemployment Insurance ? Yes ☐ No ☒ (Form 940) Churches are generally exempt from Federal unemployment insurance.

Are there any other funds that don't show on the reports provided to the Finance Committee?

Yes ☒ No ☐ If so, who has authority over these funds? **Women in Faith**

OTHER: In addition to the required audit steps prescribed above, the audit team also reviewed the following:

Overall Cash and Investments	Exhibit C
Changes to Property and Depreciation	Exhibit D
Estimated Real Estate Market Values	Exhibit E

Audit Performed by: **Finance and Stewardship Ministry Team** on this date **June 30, 2023** who can be reached by email

or phone here: **richnelson1942@msn.com 509-989-0695**

Once the audit is completed a copy of this report should be provided to the Chair of the Finance Committee, the District Superintendent during Charge Conference, and mailed to the Treasurer's Office of the Pacific NW Conference. Please include a Year End Financial Statement and a sample of a monthly report to the Finance Committee of the church.

Balance Sheet 12/31/2022	Exhibit F
General Fund Profit Loss Jan-Dec 22	Exhibit G
Building, Maintenance Fund P/L 2022	Exhibit H

If you have questions about this guide you can direct them to Jan Kallshian at jank@sos.net

Revised October 2013

Deposit Slip
Exhibit A
Sunday 9-11-22

Description	Account Number	General Fund	BM&R	Transitory	Memorial Fund	Totals
Identifiable	1-40100 4-40100 3-40100	\$ 4,997.50	\$ 715.00			\$ 5,712.50
Loose Offer	1-40300					\$ -
Sunday School	1-40400					\$ -
Church Use Rental	4-41110					\$ -
Subtotals		\$ 4,997.50	\$ 715.00	\$ -	\$ -	\$ 5,712.50
Reimbursements						
Books/Upper Room	1-65250	\$ 2.00				\$ 2.00
Wedding Payroll	1-60750					\$ -
Funeral Payroll	1-40601					\$ -
Wedding/Funeral Exp.	1-60751					\$ -
Vision Ins.	1-61000					\$ -
Special Offerings						
Camperships	2-41010					\$ -
Congregational Care	2-41055					
Prayer Shawls	2-41020					
Christmas Special	2-42110					\$ -
Cornerstone	2-41190					\$ -
Easter Special	2-42120					\$ -
Food Bank	2-42020					\$ -
Koins for Kenya	1-63281					\$ -
Lilies	2-41170					\$ -
Ministry Fund	2-48050					
Missions/Coffee	2-41090					\$ -
Jr UMY	2-41210			\$ 9.08		\$ 9.08
Sr UMY	2-41231			\$ 9.08		\$ 9.08
Pastor Discretionary	2-47010					\$ -
Rummage Sale	2-45030					\$ -
Saturday Night Life	2-41190					\$ -
Soul Soup	2-42105					\$ -
Special Donations	2-41165					\$ -
Special Events Income	2-41191					\$ -
Transportation Fund	2-45040					\$ -
UMCOR	2-43140					\$ -
Wedding Deposit	2-48040					\$ -
Young Adult PhD	2-41260					\$ -
TOTALS		\$ 4,999.50	\$ 715.00	\$ 18.16	\$ -	\$ 5,732.66

PushPay

102.20

GF 102.20

BMR



COMMUNITY FIRST BANK

PO Box 6919
Kennewick, WA 99336

Exhibit B

RETURN SERVICE REQUESTED

>000983 4793230 0001 93537 20Z 1

FIRST UNITED METHODIST CHURCH
421 W KENNEWICK AVE
KENNEWICK WA 99336-3825



Statement Ending 09/30/2022

First United Methodist Church

Page 1 of 10

Account Number: XXXXXX2307

Managing Your Accounts

	Branch Name	Kennewick
	Phone Number	(509) 783-3435
	Mailing Address	6401 West Clearwater Avenue Kennewick, WA 99336
	Online Access	www.CFBHFG.com

Thank you for choosing Community First Bank as Your Financial Partner For Life!

Summary of Accounts

Account Type	Account Number	Ending Balance
Business Checking	XXXXXX2307	\$36,727.81

Business Checking-XXXXXX2307

Account Summary

Date	Description	Amount	Description	Amount
09/01/2022	Beginning Balance	\$55,985.69	Minimum Balance	\$36,727.81
	22 Credit(s) This Period	\$31,105.21	Average Ledger Balance	\$0.00
	53 Debit(s) This Period	\$50,363.09	Average Available Balance	\$0.00
09/30/2022	Ending Balance	\$36,727.81		

Deposits

Date	Description	Amount
09/01/2022	Deposit	\$4,170.47
09/08/2022	Deposit	\$41,249.30
09/15/2022	Deposit	\$5,732.66
09/22/2022	Deposit	\$4,971.00
09/29/2022	Deposit	\$2,050.00
		5 item(s) totaling \$28,173.43

Electronic Credits

Date	Description	Amount
09/02/2022	ACH Deposit PAYPAL PRENOTE PRENOTE	\$0.00
09/02/2022	ACH Deposit ACH SETTLEMENT PP 171518 Processor	\$51.10
09/06/2022	ACH Deposit ACH SETTLEMENT PP 171518 Processor	\$75.00
09/06/2022	ACH Deposit BANKCARD 1250 BTOT DEP	\$204.40
09/07/2022	ACH Deposit BANKCARD 1250 MTOT DEP	\$408.80
09/09/2022	ACH Deposit BANKCARD 1250 BTOT DEP	\$51.10
09/12/2022	ACH Deposit ACH SETTLEMENT PP 171518 Processor	\$51.10
09/16/2022	ACH Deposit ACH SETTLEMENT PP 171518 Processor	\$162.21
09/19/2022	ACH Deposit ACH SETTLEMENT PP 171518 Processor	\$75.00
09/19/2022	ACH Deposit BANKCARD 1250 BTOT DEP	\$408.80
09/20/2022	ACH Deposit BANKCARD 1250 BTOT DEP	\$229.40
09/21/2022	ACH Deposit BANKCARD 1250 BTOT DEP	\$124.68
09/23/2022	ACH Deposit ACH SETTLEMENT PP 171518 Processor	\$51.10
09/27/2022	ACH Deposit BANKCARD 1250 MTOT DEP	\$638.20
09/30/2022	ACH Deposit UW Benton Frankl ACH Paymen	\$43.19



5000/1000 220900 147200 062624 68400

KFUMC Audit of 2022 Books

Exhibit C

Cash & Investments

Following is a summary of the accounts:

	12/31/2022	12/31/2021	12/31/2020	12/31/2019	Bank
General Fund Checking	154,426	78,388	100,037	(6,916)	Community First Bank
BMR Fund Checking	(217,783)	(86,238)	(11,418)	72,870	Community First Bank
Transitory Checking	114,369	114,998	106,453	138,573	Community First Bank
Memorial Checking	30,086	18,331	18,899	20,262	Community First Bank
Transitory Savings	158,654	192,379	177,635	125,703	Faith Foundation
Parish Endowment Fund	99,829	128,690	119,613	101,737	Faith Foundation Methodist Foundation
HFG Trust Investments	591,301	664,572			HFG Trust/Pershing, LLC
Owens Trust-Yakima Fed CD				272,662	Yakima Federal S&L
Community First Savings	99,078	98,965	596,982	321,550	Community First Savings
Total	1,029,962	\$1,210,085	\$1,108,202	\$1,046,441	

It is apparent from the above schedule that Kennewick First United Methodist Church is in strong financial position. The negative balance in the BMR Fund is just bookkeeping. There is only one bank checking account and money is transferred to the three funds in that bank account.

A study was conducted in 2021 to determine if the yield on the cash held can be improved. As a result, \$653k of excess funds was invested with HFG Trust, a local financial firm.

With the decline in the Investment Markets during 2022, the Transitory Savings, Parish Endowment, and HFG Trust accounts all reflect declines due to the overall market.

KFUMC Audit of 2022 Books**Exhibit D****Property**

Following is a summary of the accounts:

	12/31/2022	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>
Land	\$260,000	\$260,000	\$260,000	\$260,000	\$ 260,000
Furniture and Equipment	\$471,805	\$471,805	\$464,529	\$451,625	\$ 260,537
Accum. Depr. Furniture and Equ	\$(350,292)	(339,589)	\$(328,885)	\$(319,985)	\$ (197,110)
Vehicles	\$110,049	\$173,391	\$173,391	\$173,391	\$ 149,583
Accum. Depr. Vehicles	(74,156)	\$(121,181)	\$(109,088)	\$ (96,995)	\$ (83,968)
Real Estate and Improvements	\$2,643,126	\$2,635,930	\$20,635,930	\$2,602,392	\$ 2,289,323
Accum. Depr. R.E. and Improvem	<u>\$(1,750,398)</u>	<u>\$(1,680,965)</u>	<u>\$(1,611,672)</u>	<u>(1,536,662)</u>	<u>\$(1,215,235)</u>
Total Property	\$1,310,134	\$1,399,391	\$1,484,205	\$1,533,766	\$ 1,463,131

The above schedule demonstrates that Kennewick First United Methodist Church has a very solid financial position with regard to Fixed Assets. The assets are stated approximately at cost so the market value—especially of the real estate and Land would be much higher. The decline in the assets in 2022 represent the sale of a large bus.

The data supporting the above schedule had to be reconstructed from incomplete data because details of the assets had not been maintained for several years. Because new assets can be funded out of various funds, we are still trying to get a full handle on assets each year end. A detailed depreciation schedule supports the above numbers.

Three years ago, the audit checked the Benton County Assessor records for the real property. This was not repeated for this audit.

**KFUMC Property Values
2022 Audit**

Exhibit E

**Estimate of Real Estate Market Value = Benton County Assessor value on Land
+ Insurance Estimate of Replacement Costs**

Church:	Land Parcel 1	\$ 222,220	Benton County Assessor website
	Land Parcel 2	\$ 222,220	Benton County Assessor website
	Church Building	\$ 5,177,899	Insurance Replacement value
	Garage Building	\$ 57,320	Insurance Replacement value
	Office Building	\$ 236,067	Insurance Replacement value
		<u>\$ 5,915,726</u>	
Parsonage:	Land	\$ 40,000	Benton County Assessor website
	Parsonage Building	\$ 264,783	Insurance Replacement value
	Garage Building	\$ 39,400	Insurance Replacement value
		<u>\$ 344,183</u>	
Total Real Property Estimated Market		<u><u>\$ 6,259,909</u></u>	

RA Nelson
6/20/2023

Kennewick 1st United Methodist Church Balance Sheet

Exhibit F

December 2022 Report 2

As of December 31, 2022
Dec 31, 22

ASSETS

Current Assets

Checking/Savings

1-20100 - Community First Bank

1 - General Fund	154,425.92
2 - Transitory Fund	114,368.84
3 - Memorial Fund	30,086.09
4 - BMR Fund	(217,783.28)

Total 1-20100 - Community First Bank 81,097.57

1-20200 - Com.Fst.Bk.Savings/Owens Trust 99,077.95

1-20300 - HFG Trust/Pershing, LLC

1-20301 - Owens Trust	500,549.86
2-20302 - Youth Program	90,751.13

Total 1-20300 - HFG Trust/Pershing, LLC 591,300.99

2-11400 - UMFNW - Transitory 158,654.47

4-11450 - UMI Foundation-PEF Savings 99,828.96

Total Checking/Savings 1,029,959.94

Total Current Assets 1,029,959.94

Fixed Assets

1-15000 - Land 260,000.00

1-16000 - Furniture & Equipment 471,804.82

1-16500 - Accum. depr.-furniture & equip (350,292.12)

1-17000 - Vehicles 110,048.79

1-17500 - Accum Depr - Vehicles (74,155.67)

4-15000 - Real Estate and Improvement 2,643,126.03

4-15500 - Accum. depr.-R.E. & improve (1,750,398.14)

Total Fixed Assets 1,310,133.71

TOTAL ASSETS 2,340,093.65

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

1-20000 - Accounts Payable (67.26)

Total Accounts Payable (67.26)

Other Current Liabilities

1-21000 - Payroll Liabilities

1-21060 - FIT withheld (11.00)

1-21070 - FICA & M/C withheld (13.83)

1-21000 - Payroll Liabilities - Other (451.45)

Total 1-21000 - Payroll Liabilities (476.28)

Total Other Current Liabilities (476.28)

Total Current Liabilities (543.54)

Total Liabilities (543.54)

Equity

0-30000 - Opening Bal Equity 1,298,861.07

0-39000 - Retained Earnings 407,000.56

5-30501 - John W Owens Trust 969,512.46

Net Income (334,736.90)

Total Equity 2,340,837.19

TAL LIABILITIES & EQUITY 2,340,093.65

December 2022 Report 2

Kennewick 1st United Methodist Church
Income Expense Report
 January through December 2022

Exhibit G.1

Jan-Dec 2022 Report 4	Dec 22	Jan - Dec 22	Budget	\$ Over Budget
Income				
1-40100 · Pledges-gen fund	57,090.35	402,338.96	491,005.00	(88,666.04)
1-40300 · Loose offering, gen	90.00	1,548.32	2,000.00	(451.68)
1-40400 · Church school offering, gen	0.00	185.55	200.00	(14.45)
1-41100 · Interest, general fund	165.83	1,565.12	0.00	1,565.12
1-41110 · Other General Fund Income	0.00	47,061.51	0.00	47,061.51
1-41200 · Investment Gain/Loss-GF	(3,211.27)	(25,347.45)	0.00	(25,347.45)
1-41301 · HFG Gain/Loss GF	(10,021.84)	(62,280.32)	0.00	(62,280.32)
5-40100 · Interest Income-Owens Trust	21.44	113.10	100.00	13.10
Total Income	44,134.51	365,184.79	493,305.00	(128,120.21)
Gross Profit	44,134.51	365,184.79	493,305.00	(128,120.21)
Expense				
1-60099 · Staff Salaries				
Total 1-60099 · Staff Salaries	22,193.03	257,470.54	266,338.00	8,867.46
1-60435 · Out of Pocket Stipend	0.00	0.00	500.00	500.00
1-60810 · Custodian Salary	333.28	2,044.27	0.00	(2,044.27)
1-60910 · Staff Education	0.00	234.61	3,000.00	2,765.39
1-62000 · Apportionments Expense				
1-62200 · Apport-Min sup & adm	3,223.09	38,677.08	38,677.00	(0.08)
1-62300 · Apport-World serv & conf	2,402.34	28,828.08	28,828.00	(0.08)
1-62400 · Apport-Ed & black colleges	302.84	3,634.08	3,634.00	(0.08)
1-62500 · Apport-African univ	21.59	259.08	259.00	(0.08)
1-62600 · Apport-District fund	191.59	2,299.08	2,299.00	(0.08)
Total 1-62000 · Apportionments Expense	6,141.45	73,697.40	73,697.00	(0.40)
1-63100 · Advertising, gen	0.00	75.00	500.00	425.00
1-63110 · Bank Charges	25.00	725.01	120.00	(605.01)
1-63115 · PushPay Charge	27.65	3,490.69	3,140.00	(350.69)
1-63200 · Office Expense, gen.				
1-63210 · Computer & Internet	584.12	6,517.02	0.00	(6,517.02)
1-63200 · Office Expense, gen. - Other	339.83	7,647.12	6,500.00	(1,147.12)
Total 1-63200 · Office Expense, gen.	923.95	14,164.14	6,500.00	(7,664.14)
1-63300 · Postage, gen.	0.00	1,087.07	1,500.00	412.93
1-63400 · Office equip, purch./lease	533.31	4,897.38	7,000.00	2,102.62
1-63500 · Office equip, maintenance	0.00	18.23	2,000.00	1,981.77
1-63600 · Telephone, gen	279.63	4,119.88	6,500.00	2,380.12
1-63700 · Technology Upgrades	50.00	426.02	2,500.00	2,073.98
1-63800 · Care and Concern	0.00	1,153.83	1,000.00	(153.83)
1-65100 · Educ-Audio/Video	0.00	349.72	1,061.00	711.28
1-65150 · Educ-Lay Ministry	0.00	0.00	212.00	212.00
1-65200 · Educ-youth curric.	28.99	1,445.85	5,304.00	3,858.15
1-65250 · Educ-adult curric.	(5.00)	246.48	850.00	603.52
1-65260 · Ed-Young Adult	0.00	0.00	2,000.00	2,000.00
1-65300 · Educ-vbs	0.00	1,377.03	2,652.00	1,274.97
1-65350 · Educ-confirmation	0.00	0.00	1,061.04	1,061.04

Kennewick 1st United Methodist Church
Income Expense Report
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Exhibit G, 2

Jan-Dec 2022 Report 4	Dec 22	Jan - Dec 22	Budget	\$ Over Budget
1-65400 · Educ-supplies	467.71	1,376.30	1,591.00	214.70
1-65450 · Educ-volunteer training	0.00	0.00	212.00	212.00
1-65500 · Educ-library	35.00	107.70	424.00	316.30
1-65550 · Educ-special programs	759.69	1,810.71	1,685.00	(125.71)
1-65600 · Educ-Jr UMY	453.03	2,539.96	3,500.00	960.04
1-65650 · Educ-Sr UMY	566.14	2,744.33	3,500.00	755.67
1-65700 · Educ-Adult ldr registration	0.00	0.00	650.00	650.00
1-65900 · Educ-discretionary	0.00	0.00	212.00	212.00
1-65950 · Ed-Coffee	95.47	186.53	0.00	(186.53)
1-66100 · Worship-music inst maintenance	139.00	695.00	700.00	5.00
1-66150 · Worship-supplies	170.12	1,828.61	2,000.00	171.39
1-66200 · Worship-honorariums	0.00	458.16	650.00	191.84
1-66250 · Worship-bell choir	305.25	500.00	500.00	0.00
1-66330 · Worship-Technology Supplies	0.00	1,084.59	1,200.00	115.41
1-66400 · Worship-Vocal Choirs	0.00	(194.34)	1,100.04	1,294.38
1-68100 · Missions	0.00	0.00	15,000.00	15,000.00
1-69100 · Capitalized Assests	(7,195.58)	(7,195.58)	0.00	7,195.58
1-69200 · Depreciation Expense	88,007.28	88,007.28	0.00	(88,007.28)
60108 · Benefits				
1-60110 · Sr. Pastor Medical				
1-60112 · HES (Health Employer Share)	750.00	9,000.00	9,000.00	0.00
1-60110 · Sr. Pastor Medical - Other	0.00	(567.00)	0.00	567.00
Total 1-60110 · Sr. Pastor Medical	750.00	8,433.00	9,000.00	567.00
1-60150 · Sr Pastor CCP	236.73	1,690.22	2,833.00	1,142.78
1-60160 · Sr Pastor CRSP				
1-60162 · CRSP-DB (Retirement Benefit)	475.00	5,700.00	0.00	(5,700.00)
1-60163 · CRSP-DC (Retirement contribute)	236.73	2,840.76	0.00	(2,840.76)
1-60160 · Sr Pastor CRSP - Other	0.00	0.00	8,533.00	8,533.00
Total 1-60160 · Sr Pastor CRSP	711.73	8,540.76	8,533.00	(7.76)
1-60612 · FT Staff Pension	76.71	1,669.39	2,202.00	532.61
1-61000 · FT Staff Vison Insurance	32.18	436.64	480.00	43.36
1-61001 · FT Staff Medical Insurance	992.36	12,730.48	16,538.00	3,807.52
1-61100 · Payroll taxes	1,410.43	18,401.08	18,325.00	(76.08)
Total 60108 · Benefits	4,210.14	51,901.57	57,911.00	6,009.43
60125 · Other Personnel Expenses				
1-60113 · HPS (Health Participant Share)	0.00	(113.00)	0.00	113.00
1-60130 · Sr. Pastor Exp Account	458.60	458.60	4,000.00	3,541.40
1-61900 · Payroll Expenses	2,010.46	6,043.63	0.00	(6,043.63)
Total 60125 · Other Personnel Expenses	2,469.06	6,389.23	4,000.00	(2,389.23)
Total Expense	121,013.60	519,263.20	482,270.08	(36,993.12)
Net Income	(76,879.09)	(154,078.41)	11,034.92	165,113.33
Jan-Dec 2022 Report 4				

Kennewick 1st United Methodist Church
Income Expense Report
 January through December 2022

Exh. b, T H.1

Jan-Dec 2022 Report 5		Dec 22	Jan - Dec 22	Budget	\$ Over Budget
Income					
4-40100 · Pledges-building		3,221.20	36,387.10	40,000.00	(3,612.90)
4-41110 · Rental Income - Church		180.00	910.00	0.00	910.00
4-41155 · Other BMR Income		0.00	0.00	200.00	(200.00)
Total Income		3,401.20	37,297.10	40,200.00	(2,902.90)
Gross Profit		3,401.20	37,297.10	40,200.00	(2,902.90)
Expense					
4-63010 · Electrical					
4-63012 · Church		0.00	2,733.65	500.00	(2,233.65)
4-63014 · Office		0.00	0.00	200.00	200.00
4-63016 · Parsonage		0.00	0.00	200.00	200.00
Total 4-63010 · Electrical		0.00	2,733.65	900.00	(1,833.65)
4-63020 · Plumbing					
4-63023 · Church		0.00	2,872.44	2,000.00	(872.44)
4-63025 · Office		0.00	0.00	200.00	200.00
4-63027 · Parsonage		0.00	715.46	200.00	(515.46)
Total 4-63020 · Plumbing		0.00	3,587.90	2,400.00	(1,187.90)
4-63030 · HVAC					
4-63032 · Church		1,381.62	4,255.05	500.00	(3,755.05)
4-63034 · Office		0.00	0.00	1,000.00	1,000.00
4-63036 · Parsonage		0.00	0.00	1,000.00	1,000.00
Total 4-63030 · HVAC		1,381.62	4,255.05	2,500.00	(1,755.05)
4-63040 · Roofs					
4-63042 · Church		0.00	43,403.72	3,000.00	(40,403.72)
4-63044 · Office		0.00	0.00	200.00	200.00
4-63046 · Parsonage		0.00	61.34	200.00	138.66
Total 4-63040 · Roofs		0.00	43,465.06	3,400.00	(40,065.06)
4-63050 · Floors					
4-63052 · Church		0.00	1,500.00	1,000.00	(500.00)
4-63056 · Office		0.00	129.95	0.00	(129.95)
Total 4-63050 · Floors		0.00	1,629.95	1,000.00	(629.95)
4-63060 · Windows/Doors					
4-63062 · Church		0.00	86.88	1,000.00	913.12
4-63064 · Office		0.00	0.00	200.00	200.00
4-63066 · Parsonage		0.00	0.00	200.00	200.00
Total 4-63060 · Windows/Doors		0.00	86.88	1,400.00	1,313.12
4-63070 · Elevator					
4-63075 · Elevator Phone		39.99	330.87	0.00	(330.87)
4-63070 · Elevator - Other		0.00	6,813.34	3,500.00	(3,313.34)
Total 4-63070 · Elevator		39.99	7,144.21	3,500.00	(3,644.21)
4-63080 · Structure					
4-63082 · Church		0.00	7,043.13	10,000.00	2,956.87
4-63084 · Office		0.00	0.00	1,000.01	1,000.01
4-63086 · Parsonage		0.00	13,294.04	1,000.00	(12,294.04)

Kennewick 1st United Methodist Church

Income Expense Report

January through December 2022

Exhibit H.2

Jan-Dec 2022 Report 5	Dec 22	Jan - Dec 22	Budget	\$ Over Budget
Total 4-63080 · Structure	0.00	20,337.17	12,000.01	(8,337.16)
4-63090 · Major Projects				
4-63091 · Church-Survey Sewer System	3,800.00	3,800.00	0.00	(3,800.00)
4-63098 · Security Doors-Church	0.00	0.00	4,500.00	4,500.00
4-63099 · Upgrade doors-Office	0.00	0.00	4,500.00	4,500.00
Total 4-63090 · Major Projects	3,800.00	3,800.00	9,000.00	5,200.00
4-63310 · Appliances				
4-63312 · Church	0.00	2,189.74	500.00	(1,689.74)
4-63314 · Office	0.00	0.00	500.00	500.00
4-63316 · Parsonage	0.00	0.00	500.00	500.00
Total 4-63310 · Appliances	0.00	2,189.74	1,500.00	(689.74)
4-63330 · Furnishings				
4-63332 · Church	390.00	531.27	500.00	(31.27)
4-63334 · Office	0.00	0.00	500.00	500.00
4-63336 · Parsonage	0.00	0.00	500.00	500.00
Total 4-63330 · Furnishings	390.00	531.27	1,500.00	968.73
4-63340 · Electronics				
4-63342 · Church	0.00	0.00	500.00	500.00
Total 4-63340 · Electronics	0.00	0.00	500.00	500.00
4-63410 · Grounds upkeep, bldg				
4-63412 · Church	2,113.97	4,833.81	2,000.00	(2,833.81)
4-63413 · Landscaping Zone 5	0.00	0.00	1,000.00	1,000.00
4-63414 · Dayton Entrance Project	0.00	2,065.00	21,000.00	18,935.00
4-63415 · Office	0.00	0.00	500.00	500.00
4-63420 · Parsonage	0.00	60.00	500.00	440.00
Total 4-63410 · Grounds upkeep, bldg	2,113.97	6,958.81	25,000.00	18,041.19
4-63510 · Parking				
4-63515 · Church Parking Lot	0.00	622.84	1,000.00	377.16
4-63522 · Repave Office Parking	0.00	0.00	10,000.00	10,000.00
Total 4-63510 · Parking	0.00	622.84	11,000.00	10,377.16
4-63610 · Garage	0.00	479.17	0.00	(479.17)
4-64010 · Tools/Miscellaneous	0.00	21.74	1,000.00	978.26
4-64100 · Utilities, gen.				
4-64105 · Garbage - Church	180.30	2,158.90	2,250.00	91.10
4-64110 · Electricity - Church	727.88	8,482.38	10,000.00	1,517.62
4-64115 · Gas - Church	1,620.49	5,403.47	3,800.00	(1,603.47)
4-64120 · Water - Church	0.00	3,268.30	1,900.00	(1,368.30)
4-64123 · Pest Control-Church	0.00	0.00	1,400.00	1,400.00
4-64130 · Electricity - Office	312.04	2,008.36	2,000.00	(8.36)
4-64135 · Water - Office	0.00	1,355.46	1,350.00	(5.46)
4-64140 · Irrigation-Parsonage	0.00	361.25	400.00	38.75
Total 4-64100 · Utilities, gen.	2,840.71	23,038.12	23,100.00	61.88
4-64200 · Insurance, gen	0.00	26,257.00	26,343.00	86.00
4-65010 · Office Building	14.08	273.95	1,000.00	726.05

Kennewick 1st United Methodist Church
Income Expense Report
 January through December 2022

Exhibit H.3

Jan-Dec 2022 Report 5	Dec 22	Jan - Dec 22	Budget	\$ Over Budget
4-66010 · Parsonage maint, bldg				
4-66015 · Kitchen Upgrade	0.00	0.00	20,000.00	20,000.00
4-66020 · Backyard Resod	0.00	0.00	2,500.00	2,500.00
4-66030 · Basement Upgrade	0.00	0.00	7,500.00	7,500.00
4-66010 · Parsonage maint, bldg - Other	0.00	0.00	1,000.00	1,000.00
Total 4-66010 · Parsonage maint, bldg	0.00	0.00	31,000.00	31,000.00
4-6700 · Bus Maintenance	0.00	2,012.45	1,000.00	(1,012.45)
4-67100 · Custodian Contract	985.62	16,787.36	18,000.00	1,212.64
4-67110 · Janitorial Supplies	0.00	239.83	2,000.00	1,760.17
4-69300 · Misc supplies				
4-69305 · Church	0.00	183.42	500.00	316.58
Total 4-69300 · Misc supplies	0.00	183.42	500.00	316.58
4-69400 · Property taxes	0.00	679.64	125.00	(554.64)
4-69600 · BMR - other expenses	0.00	892.94	700.00	(192.94)
5-63000 · Security				
5-63100 · Security Training	34.19	223.79	0.00	(223.79)
5-63200 · Security System Upgrade	0.00	0.00	22,000.00	22,000.00
5-63000 · Security - Other	163.00	3,104.02	3,800.00	695.98
Total 5-63000 · Security	197.19	3,327.81	25,800.00	22,472.19
Total Expense	11,763.18	171,535.96	206,168.01	34,632.05
Net Income	(8,361.98)	(134,238.86)	(165,968.01)	(31,729.15)

Jan-Dec 2022 Report 5