

DIOCESE OF THE SOUTH
ORTHODOX CHURCH IN AMERICA
FINANCIAL REPORTS

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	1. Resolution authorizing the Diocese to borrow funds on behalf of its Churches for the purpose of real estate acquisition, building construction, and refinancing indebtedness.
	2. Resolution authorizing the Diocese to obtain a backup line of credit to ensure the availability of funds to meet the withdrawal needs of its Church depositors.
	3. Resolution to cap the Tithes and Assessments collected from the Churches in calendar year 2009 at 13% of total income.. For 2010, either continue to cap at 13% , or eliminate the 3% Assessment portion entirely, thereby restoring the 10% Tithe on total income as the sole financial obligation of the Churches to the Diocese.

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TREASURER'S MESSAGE

Net Income went from \$65,984 in 2007 to a deficit of \$72,488 in 2008. Total expenses increased by \$59,498 and income categories decreased by \$78,934. Except for a few minor variations, expenses were within budget, thus it is the income decline that needs to be addressed.

Over half the decline, \$40,991, came from the small investment portfolio (\$46K cost) that produced net gains of \$15,308 in 2007 but incurred unrealized losses of \$25,683 in 2008. Approximately 60% of the portfolio had been sold off during 2005-07 at a profit of \$62,000, and the proceeds were "reinvested" in church building projects. The portfolio has increased in value by \$5,270 as of June 30.

Interest income decreased by \$16,996, partially due to lower rates on deposit accounts, but primarily because of a policy decision to discontinue charging interest on money loaned to the parishes and missions.

Tithes decreased by \$28,853 (5.5%) and were \$21,167 under budget. This may be explained away by the "bad economy" or even rationalized as a "market correction" following the explosive Tithe growth of the two preceding years. There is some truth in both. Economic downturns and market corrections are recurring phenomena that impact church finances. However, it appears that church organizations feel the recessionary pinch later than does the economy as a whole; that their decline is not as large; and that they recover more quickly when the economy begins to improve. Evidence to the foregoing is presented on Page 4 of this report, where a comparison is made between DOS Tithe growth performance and that of various financial market indices over the past fourteen years. Our Tithe growth has clearly outperformed the stock and bond market indices in both rising and declining economic periods, and resoundingly so during this decade.

Tithe income as of July 10, 2009 is \$251,872, compared to \$251,848 this time last year. If the average monthly Tithe patterns of the past thirteen years hold up we'll reach \$516,000 for the full year. If, in fact, the economic recovery has begun the budget goal of \$600,000 for 2010 is well within our historical Tithe growth patterns. The standard financial analyst disclaimer, "Past performance does not guarantee future results" is certainly applicable here. What has been demonstrated, however, is that the best investment for this Diocese, strictly on the basis of financial return, is not stocks, bonds, or bank accounts, but rather the planting of new churches and assisting in the development of its existing parishes and missions.

Last year the Diocese provided direct cash assistance of \$436,333 to its parishes and missions, an amount equal to 88% of Tithe income, but still finished the year with MORE cash than it had at the start. How was this possible? Didn't we have a decrease in Tithe income? Didn't we pass a budget that provided for large spending increases in other areas? Was there a cut in the OCA Membership Assessment? (No). Did we pay the OCA Membership Assessment? (Yes, and ahead of schedule). The answer is really very simple, but perhaps revolutionary.

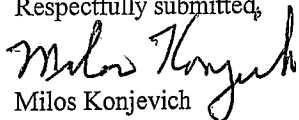
First, we started the year with cash reserves of \$308,920, and for only one week in late September did they dip below \$100,000. Second, Tithe and Membership Assessment receipts were running ahead of the 2007 pace for much of the year: it wasn't until September that the probability of a lesser year began to emerge. Third, on October 1st St. Sava, Plano, made a lump sum payment of \$151,000 on their 2007 loan from the Diocese. (The loan facilitated the purchase of land upon which St. Sava's promises to build a church that will rival the best that the Diocese has to offer.) Fourth, the cash increase that resulted from the growing

number of churches that have opted to deposit their cash reserves with the Diocese: such deposits increased by \$70,000 from October to December, which enabled us to finish the year with cash reserves of \$330,624, the largest year-end total in our history.

If the Diocese had NOT collected the Membership Assessment from the churches in 2008 the revenue loss would have \$205,638, and cash reserves would be reduced to \$124,987: our year-end total in 2005 was less than half that amount. Thus, cash reserves wouldn't have been dangerously depleted and the disposable income of the churches would have increased by \$205,638. Alternatively, had the Diocese collected the Membership Assessment but credited the proceeds to interest-bearing deposit accounts cash reserves would have remained at \$330,624 and the cash reserves of the churches would be have been enhanced by \$205,638. What the foregoing seeks to demonstrate is that the Membership Assessment charge to the churches could be eliminated without destabilizing the finances of the Diocese, and that the practice of depositing cash reserves with the Diocese not only mitigates that risk but also promotes the general welfare all the parties.

At year end 2008 there were nine church depositors, with total deposits of \$228,156. At June 30, 2009, the totals were thirteen and \$324,939, respectively. It is expected that the number of churches placing their cash reserves with the Diocese will continue to grow, perhaps at an increasing rate if the Membership Assessment is lifted. Banks utilize our church deposits for their own purpose but it is becoming increasingly evident that in difficult economic times, such as these, the commercial lending windows are simply closed to churches. It is therefore important that a system of internal financing be developed in order to ensure that funds will be available to support building initiatives, when needed , without having to wait until the banks are ready to start lending again. Our Balance Sheet already resembles that of a bank and we're really not far away from being able to provide primary funding for church land acquisition and building construction.

Respectfully submitted,



Milos Konjevich
Treasurer

<u>TITHES GROWTH-PARISH COMPARISON</u>	<u>Year</u> <u>2008</u>	<u>Year</u> <u>2007</u>	<u>Year</u> <u>2006</u>	<u>Year</u> <u>2005</u>	<u>5 Years</u> <u>2000-04</u>	<u>5 Years</u> <u>1995-99</u>
St Seraphim, Dallas	\$ 35,862	\$ 32,606	\$ 43,472	\$ 31,528	\$ 131,733	\$ 106,831
St Justin Martyr, Jacksonville	34,355	32,234	33,791	24,787	80,907	41,005
St Stephen, Orlando	27,869	23,071	25,327	21,426	89,527	57,353
Christ the Savior, Miami	23,329	21,052	9,749	8,266	43,267	34,723
St Sava, Plano	19,241	25,915	14,559	7,748	20,509	13,219
St Barbara, Ft Worth	16,557	20,447	18,636	14,331	44,363	15,237
Holy Apostles, Columbia	16,022	22,014	14,754	15,333	32,462	20,377
St John the Wonderworker, Atlanta	15,131	17,189	17,634	12,978	36,151	-
St John Ladder, Piedmont	14,719	30,007	15,743	11,605	45,727	12,026
St Mary Egypt, Atlanta	14,554	11,914	15,509	10,734	48,444	23,644
St Innocent, Macon	13,790	10,727	1,000	-	28,412	11,770
St Cyprian, Richmond	13,234	26,727	24,664	9,026	28,725	25,723
St Anne, Knoxville	12,436	14,816	14,465	10,092	49,474	9,922
Nativity, Charlotte	12,226	12,283	13,130	11,862	42,525	3,682
St Symeon, Birmingham	11,559	10,500	6,700	5,400	12,600	9,334
Holy Ascension, Mt Pleasant	11,464	10,184	9,237	6,919	6,689	-
Holy Apostles, Bixby	10,445	7,871	4,937	4,632	2,018	-
Holy Resurrection, Clinton	9,656	9,056	9,582	5,782	36,848	24,264
St Maximus, Denton	8,500	12,022	4,030	1,645	4,586	-
Holy Spirit, Venice	8,467	7,565	1,005	1,500	10,850	18,534
St Cyril of Jerusalem, The Woodlands	8,454	1,884	3,127	1,184	-	-
St Athanasius, Nicholasville	8,148	5,297	2,834	4,904	9,629	-
All Saints, Albuquerque	8,137	6,714	6,805	4,553	17,992	3,261
Holy Cross, Greensboro	7,142	6,090	2,826	-	-	-
St James, Port St Lucie	6,769	12,380	586	4,753	18,811	25,986
St Philip The Apostle, Tampa	6,552	3,681	2,192	-	-	-
St Anthony, San Antonio	6,446	9,792	10,912	11,404	36,228	28,840
St George & Alexandra, Ft Smith	5,807	606	584	-	2,668	1,904
Christ the Savior, McComb	5,622	7,451	4,430	6,090	6,564	-
St Andrew, New Port Richey	5,466	5,615	5,902	4,652	25,641	31,351
St Nicholas, Ft Lauderdale	4,958	7,143	2,457	3,034	22,019	17,932
St Andrew, Ashland	4,782	4,409	6,805	5,271	13,373	-
Holy Transfiguration, Raleigh	4,763	4,946	6,321	6,138	17,134	-
St Paul, Denison	4,708	3,143	2,081	1,888	3,953	-
St Raphael Of Brooklyn, Inverness	4,646	4,436	3,821	1,609	3,889	-
All Saints, Victoria	4,528	1,391	-	-	-	-
St John Damascus, Tyler	4,493	1,908	494	-	-	-
Holy Resurrection, Aiken	4,194	3,035	-	-	-	-
St Tikhon, Chattanooga	4,122	3,035	3,592	-	-	-
Dormition, Norfolk	4,102	4,696	4,776	2,419	16,494	18,374
St Peter The Apostle, Jupiter	3,947	3,626	3,186	1,378	-	-
St Mary Magdalene, Rincon	3,821	1,228	609	2,954	2,305	1,313
St Seraphim, Memphis	3,775	2,600	2,297	2,853	2,827	-
St George, Pharr	3,728	1,271	1,400	1,000	3,849	4,994
St Timothy, Toccoa	3,538	26,447	4,205	1,939	3,762	-
St Simeon, Titusville	3,253	3,779	3,760	3,651	18,686	21,074
Holy Cross, Ft Myers	2,813	2,740	2,429	2,690	9,988	8,031
Protection Of The Virgin Mary, Clarksville	2,761	-	-	-	-	-
St Matthew The Apostle, Baton Rouge	2,673	407	-	-	-	-
Holy Trinity, Safety Harbor	2,650	2,663	576	-	14,319	19,458
St Gregory, Tuscaloosa	2,548	1,997	1,568	1,402	4,612	7,730
Archangel Michael, Houston	2,169	4,956	4,125	-	10,790	245
St Herman, Lake Worth	1,695	1,869	-	-	22,281	21,966
St Dimitri Rostov, Los Alamos	1,687	1,961	2,112	2,064	5,172	2,990
St Luke, Anniston	1,400	2,200	-	-	-	-
St Alexis, Palm Coast	1,343	1,245	1,514	1,500	7,551	5,662
St Basil, Wilmington	1,245	-	-	-	-	-
St Nicholas, Fayetteville	1,203	415	-	-	-	4,450
St Demetrius, Naples	903	4,256	-	-	6,969	13,514
Protecting Veil, Kerrville	841	-	-	-	-	-

TITHES GROWTH-PARISH COMPARISON
(Continued)

	<u>Year</u> <u>2008</u>	<u>Year</u> <u>2007</u>	<u>Year</u> <u>2006</u>	<u>Year</u> <u>2005</u>	<u>5 Years</u> <u>2000-04</u>	<u>5 Years</u> <u>1995-99</u>
St George's Orthodox Church, Edenton	837	1,394	276	-	-	-
St Constantine & Helen, Helena	827	266	821	-	-	-
St Jonah, Alpine	768	-	-	-	-	-
St John Chrysostom, Phenix City	150	-	-	-	-	-
St Mark, Bradenton	-	1,514	5,875	1,510	15,900	17,972
St Peter & Paul, Miami	-	-	900	1,200	3,086	2,257
St Cyril & Methodius, Hartshorne	-	-	205	947	5,852	11,195
Tallahassee Mission	-	-	-	20	-	-
St Gabriel, OKC	-	-	-	-	1,709	-
St Herman, Charlottesville	-	-	-	-	1,250	-
Holy Dormition, Santa Fe	-	-	-	-	-	3,716
St Gregory, Raleigh	-	-	-	-	-	1,537
Our Lady, Alpharetta	-	-	-	-	-	789
St John Evangelist, Lawrenceville	-	-	-	-	-	501
St Ambrose, Roanoke	-	-	-	-	-	248
Totals	\$ 493,833	\$ 522,686	\$ 404,328	\$ 298,600	\$ 1,131,119	\$ 704,929

TITHE GROWTH DEANERY COMPARISON	Year 2008	Year 2007	Year 2006	Year 2005	5 Years 2000-04	5 Years 1995-99
Dallas Deanery	\$ 160,322	\$ 149,399	\$ 131,491	\$ 94,795	\$ 334,834	\$ 216,695
Annual % Increase	7.3%	13.6%	38.7%	4.2%	8.5%	23.0%
Orlando Deanery	\$ 86,133	\$ 78,238	\$ 82,757	\$ 59,155	\$ 256,421	\$ 193,874
Annual Increase	10.1%	-5.5%	39.9%	0.3%	8.0%	5.8%
Carolinas Deanery	\$ 77,354	\$ 116,814	\$ 66,492	\$ 53,796	\$ 148,298	\$ 42,071
Annual Increase	-33.8%	75.7%	23.6%	35.0%	35.4%	9.0%
Miami Deanery	\$ 52,881	\$ 60,632	\$ 20,312	\$ 22,820	\$ 137,271	\$ 142,940
Annual Increase	-12.8%	198.5%	-11.0%	9.1%	-6.1%	3.9%
Appalachians Deanery	\$ 53,362	\$ 61,581	\$ 59,434	\$ 34,565	\$ 121,771	\$ 54,267
Annual Increase	-13.3%	3.6%	71.9%	2.5%	17.2%	27.7%
Atlanta Deanery	\$ 63,781	\$ 56,022	\$ 43,841	\$ 33,469	\$ 132,423	\$ 55,081
Annual Increase	13.8%	27.8%	31.0%	8.7%	36.0%	-4.6%
Total Diocese	\$ 493,833	\$ 522,686	\$ 404,328	\$ 298,600	\$ 1,131,018	\$ 704,929

TITHE GROWTH PEER GROUP COMPARISON	Year 2008	Year 2007	Year 2006	Year 2005
DIOCESE OF THE SOUTH TITHES	\$ 493,833	\$ 522,686	\$ 404,328	\$ 298,600
Annual Increase	-5.5%	29.3%	35.4%	8.5%
DIOCESE OF THE WEST DPA	\$ 320,399	\$ 272,190	\$ 282,058	\$ 259,483
Annual Increase	17.7%	-3.5%	8.7%	5.1%

TITHE GROWTH FINANCIAL MARKET COMPARISON	Year 2008	Year 2007	Year 2006	Year 2005	5 Years 2000-04	5 Years 1995-99
DIOCESE OF THE SOUTH TITHES	-5.5%	29.3%	35.4%	8.5%	10.1%	10.5%
DOW JONES INDUSTRIAL INDEX	-33.8%	6.4%	16.3%	-0.6%	-0.3%	22.5%
S&P 500 INDEX	-38.5%	3.5%	13.6%	3.0%	-2.2%	24.4%
LONG TERM USG BONDS INDEX	22.5%	9.2%	1.7%	6.6%	10.1%	11.9%

DIOCESE OF THE SOUTH INCOME STATEMENT	Jan-Mar 2009	Year 2008	Year 2007	Year 2006	Year 2005
REVENUES					
Tithes					
Dallas Deanery	\$ 38,301	\$ 160,322	\$ 149,399	\$ 131,491	\$ 94,795
Orlando Deanery	14,660	86,133	78,238	82,757	59,155
Carolinas Deanery	15,029	77,354	116,814	66,492	53,796
Atlanta Deanery	13,052	63,781	56,022	43,841	33,469
Appalachian Deanery	13,974	53,362	61,581	59,434	34,565
Miami Deanery	9,470	52,881	60,632	20,312	22,820
Total	\$ 104,485	\$ 493,833	\$ 522,686	\$ 404,328	\$ 298,600
Membership Assessments					
Dallas Deanery	\$ 11,513	\$ 59,950	\$ 58,680	\$ 56,090	\$ 45,010
Orlando Deanery	8,559	46,226	45,209	43,731	35,255
Carolinas Deanery	7,171	36,341	29,221	29,815	25,476
Appalachian Deanery	5,673	22,518	17,623	18,488	14,922
Miami Deanery	3,253	21,630	23,223	24,422	19,979
Atlanta Deanery	2,539	18,972	21,583	23,273	15,252
Total	\$ 38,708	\$ 205,637	\$ 195,539	\$ 195,818	\$ 155,894
Other Income					
Publications	\$ 30	\$ 1,035	\$ 2,361	\$ 1,342	\$ 3,062
Education Fund Donations	-	-	342	1,916	-
Missions Donations	-	-	162	4,100	25
Assemblies & Conferences	-	12,654	13,017	18,225	-
Interest	80	2,842	19,838	11,040	8,194
Investments	(2,692)	(25,683)	15,308	22,773	12,989
Total	\$ (2,582)	\$ (9,153)	\$ 51,027	\$ 59,395	\$ 24,270
Restricted Funds					
Designated Missions Funding					
Appalachian Deanery	\$ -	\$ 40,000	\$ 29,833	\$ 30,998	\$ 18,908
Carolinas Deanery	4,500	19,500	24,000	12,000	-
Dallas Deanery	6,453	8,564	65	-	-
Designated Funding Distributions	(10,953)	(68,064)	(53,898)	(42,998)	(18,908)
Total Undistributed	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL INCOME	\$ 140,611	\$ 690,317	\$ 769,251	\$ 659,540	\$ 478,764
EXPENSES					
I. DIOCESAN ADMINISTRATION					
Payroll					
Archbishop	\$ 20,288	\$ 80,425	\$ 72,809	\$ 66,284	\$ 67,955
Auxiliary Bishop	-	20,416	-	-	-
Archbishop Secretary	10,536	44,332	43,300	42,496	41,008
Chancery Assistant	9,618	40,539	36,475	29,654	22,176
Treasurer	4,375	16,600	16,000	15,400	14,800
Deans & Missions Director Stipends	10,500	42,000	37,800	33,600	31,125
Subtotal	55,317	244,311	206,384	187,434	177,064
Travel & Meetings	2,836	20,469	24,452	14,661	11,844
Building & Grounds	1,117	23,202	5,815	5,304	15,234
Administrative & Office	2,229	13,277	10,582	6,910	7,472
TOTAL	\$ 61,500	\$ 301,260	\$ 247,233	\$ 214,308	\$ 211,615
II. DIOCESAN SPONSORED ACTIVITIES					
Publications	\$ 1,528	\$ 11,083	\$ 9,993	\$ 10,954	\$ 10,326
Diocesan Assembly	-	14,652	12,542	13,087	941
Auxiliary Bishop Consecration	-	6,733	-	-	-
Clergy Wives Activities	-	1,058	1,224	3,312	-
Clergy Conference	4,677	-	6,209	830	-
Pastoral School	-	18	-	-	-
Youth Activities	-	568	1,868	7,924	-
TOTAL	\$ 6,205	\$ 34,112	\$ 31,836	\$ 36,107	\$ 11,267

DIOCESE OF THE SOUTH
INCOME STATEMENT (Continued)

II. MISSIONS & PARISH DEVELOPMENT

	<u>Jan-Mar 2009</u>	<u>Year 2008</u>	<u>Year 2007</u>	<u>Year 2006</u>	<u>Year 2005</u>
Overhead					
Field Travel	\$ 1,666	\$ 5,651	\$ 2,502	\$ 3,450	\$ 1,408
Administrative Expenses		1,347		-	260
TOTAL	<u>\$ 1,666</u>	<u>\$ 6,998</u>	<u>\$ 2,502</u>	<u>\$ 3,450</u>	<u>\$ 1,668</u>
Missions Assistance					
Planting Grants	\$ 18,000	\$ 57,000	\$ 17,750	\$ 37,250	\$ 50,417
Debt Support	30,209	108,478	70,814	24,926	-
Budget Support	-	74,071	41,278	20,374	1,387
Priest Moving Expenses	-	16,884	-	14,436	7,481
Priest Seminary Debt Support	4,015	8,923	-	-	-
Interest Expense	10,382	20,968	6,517	2,817	2,055
Subtotal	<u>\$ 62,605</u>	<u>\$ 286,324</u>	<u>\$ 136,360</u>	<u>\$ 99,802</u>	<u>\$ 61,339</u>
Credit (Charge) to Missions Reserve	<u>(35,730)</u>	<u>(118,455)</u>	<u>40,630</u>	<u>46,784</u>	<u>50,617</u>
TOTAL	<u>\$ 28,541</u>	<u>\$ 174,867</u>	<u>\$ 179,491</u>	<u>\$ 150,036</u>	<u>\$ 113,624</u>
III ORTHODOX CHURCH IN AMERICA					
Membership Assessment	\$ 63,026	\$ 249,060	\$ 241,920	\$ 234,260	\$ 178,925
Metropolitan Council	380	1,641	716	1,391	1,185
Other	-	1,825	2,070	2,070	2,348
TOTAL	<u>\$ 63,407</u>	<u>\$ 252,526</u>	<u>\$ 244,706</u>	<u>\$ 237,721</u>	<u>\$ 182,458</u>
TOTAL EXPENSES	<u>\$ 159,652</u>	<u>\$ 762,765</u>	<u>\$ 703,267</u>	<u>\$ 638,173</u>	<u>\$ 518,963</u>
NET INCOME	<u>\$ (19,041)</u>	<u>\$ (72,448)</u>	<u>\$ 65,984</u>	<u>\$ 21,367</u>	<u>\$ (40,199)</u>

DIOCESE OF THE SOUTH

STATEMENT OF ASSETS & LIABILITIES

	<u>3/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>	<u>12/31/2005</u>
ASSETS					
Current Assets					
Cash	\$ 195,793	\$ 330,624	\$ 308,920	\$ 157,216	\$ 58,393
Income Earned, Not Collected	-	51,394	35,660	57,116	22,955
Prepaid Expense	36,522	6,006	66,072	-	-
Investments-Market Value	<u>32,996</u>	<u>35,687</u>	<u>61,370</u>	<u>110,243</u>	<u>145,056</u>
Total Current Assets	\$ 265,310	\$ 423,711	\$ 472,023	\$ 324,575	\$ 226,404
Loans					
St Seraphim, Dallas	\$ 438,889	\$ -		\$ 45,000	\$ 50,000
St Innocent, Macon	127,328	9,575			
St Paul, Denison	124,719	132,669	92,924		-
St Barbara, Ft Worth	117,630	120,439	92,447	107,187	65,000
St Maximus, Denton	107,991	111,634	123,803		
St Cyprian, Richmond	81,659	37,762			
Holy Apostles, Bixby	59,911	59,025	64,000		
Holy Trinity, Safety Harbor	51,750	47,350			
St Mary Magdalene, Rincon	43,114	44,349			
Auxiliary Bishop	42,798	42,798			
St Raphael of Brooklyn, Inverness	11,968				
St Sava, Plano	7,429	12,808	183,065		
St Philip, Tampa	1,814				
St Gregory, Tuscaloosa	891	1,069			
St Justin Martyr, Jacksonville	-	-	14,192	49,579	100,000
Total Loans	\$ 1,217,891	\$ 619,477	\$ 570,432	\$ 201,766	\$ 215,000
Other Assets					
Chancery Office Property (Donated Value)	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000
Deferred Charge - Priest Service Book Costs	\$ 5,005	\$ 5,005	5,895	8,099	9,203
TOTAL ASSETS	<u>\$ 1,698,207</u>	<u>\$ 1,258,194</u>	<u>\$ 1,258,349</u>	<u>\$ 744,441</u>	<u>\$ 660,608</u>
LIABILITIES					
Accounts Payable	\$ 660	\$ 22,842	\$ 5,141	\$ 4,363	\$ 3,128
Deposits					
St Innocent, Macon	\$ 122,322	\$ -	\$ 4,950	\$ 7,603	\$ 5,052
St Anne, Oak Ridge	59,589	62,946	99,336	54,466	83,147
St Maximus, Denton	45,512	45,500	-	-	-
St Timothy, Tocoa	43,486	43,000	-	-	-
St Seraphim, Dallas	31,050	44,281	16,414	10,820	(3,279)
Carolinas Deanery Missions Fund	15,256	14,266	8,240	4,470	-
Holy Resurrection, Alken	8,125	8,035	-	-	-
St Philip, Tampa	7,671	5,094	-	-	-
St Jonah Mission Station, Alpine	1,046	1,034	-	-	-
St John Ladder, Piedmont	500	4,000	7,000	6,500	-
Individuals (4)	805,545	400,594	336,365	-	-
Total Deposits	\$ 1,140,102	\$ 628,750	\$ 472,305	\$ 83,859	\$ 84,920
TOTAL LIABILITIES	\$ 1,140,762	\$ 651,593	\$ 477,446	\$ 88,222	\$ 88,048
RESERVES & EQUITY					
Missions Reserve	\$ 264,158	\$ 299,888	\$ 418,343	\$ 377,713	\$ 330,929
Publications Fund Reserve	5,000	5,000	5,000	5,000	5,000
Education Fund Reserve	263,869	266,539	290,258	258,197	224,084
General Fund Equity	24,418	35,174	67,303	15,310	12,548
TOTAL RESERVES & EQUITY	<u>\$ 557,445</u>	<u>\$ 606,602</u>	<u>\$ 780,904</u>	<u>\$ 656,219</u>	<u>\$ 572,560</u>
TOTAL LIABILITIES, EQUITY & RESERVES	<u>\$ 1,698,207</u>	<u>\$ 1,258,194</u>	<u>\$ 1,258,350</u>	<u>\$ 744,441</u>	<u>\$ 660,608</u>

DIOCESE OF THE SOUTH	Jan-Mar	Year	Year
<u>SOURCES & USES OF FUNDS STATEMENT</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
CASH AT BEGINNING OF PERIOD	\$ 330,624	\$ 308,920	\$ 157,216
<u>CASH PROVIDED BY EARNINGS</u>			
Net Income	\$ (19,041)	\$ (72,448)	\$ 65,985
Non Cash Income & Expenses			
Unrealized Investment Losses (Gains)	2,692	25,683	(15,308)
Charge to Missions Reserve	(35,730)	(118,454)	40,630
Treasurer Stipend	-	16,600	16,000
Contribution to Surplus (OCA)	-	2,070	-
NET CASH PROVIDED (USED)	\$ (52,079)	\$ (146,550)	\$ 107,307
<u>CASH PROVIDED (USED) BY DEPOSITS</u>			
St Maximus, Denton	\$ 12	\$ 45,500	\$ -
St Timothy, Tocoa	486	43,000	-
St Seraphim, Dallas	(13,231)	27,866	5,595
Holy Resurrection, Aiken	91	8,035	-
St Phillip, Tampa	2,576	5,094	-
St John Damascus, Tyler	-	-	(3,353)
Carolinas Deanery Missions Fund	990	6,026	3,770
St John Ladder, Piedmont	(3,500)	(3,000)	500
St Jonah, Alpine	12	1,034	-
St Innocent, Macon	122,322	(4,950)	699
St Anne, Oak Ridge	(3,357)	(36,390)	44,871
Trust Funds-(Individuals)	403,951	64,230	336,364
NET CASH PROVIDED (USED)	\$ 510,351	\$ 156,446	\$ 388,446
<u>CASH PROVIDED (USED) BY LOANS</u>			
St Sava, Plano	\$ 5,379	\$ 170,258	\$ (183,065)
St Maximus, Denton	3,642	12,170	(123,803)
St Seraphim, Dallas	(438,889)	-	45,000
St Gregory, Tuscaloosa	178	(1,069)	-
Holy Apostles, Bixby	(886)	4,975	(64,000)
St Innocent, Macon	(117,753)	(9,575)	-
Auxiliary Bishop	-	(42,798)	-
St Mary Magdalene, Rincon	1,235	(44,349)	-
Holy Trinity, Safety Harbor	(4,400)	(47,350)	-
St Barbara, Ft Worth	2,810	(27,992)	14,740
St Phillip, Tampa	(1,814)	-	-
St Raphael of Brooklyn, Inverness	(11,968)	-	-
St Justin Martyr, Jacksonville	-	14,192	35,387
St Cyprian, Richmond	(43,897)	(37,762)	-
St Paul, Denison	7,949	(39,745)	(92,924)
NET CASH PROVIDED (USED)	\$ (598,413)	\$ (49,045)	\$ (368,665)
<u>OTHER CASH PROVIDED (USED)</u>			
Accounts Payable	\$ (23,982)	\$ 15,632	\$ 2,848
Income Earned, Not Collected	51,394	(15,734)	21,456
Investments Sold	-	-	64,181
Deferred Charge - Priest Service Book	-	890	2,204
Prepaid Expense	(22,103)	60,067	(66,072)
NET CASH PROVIDED (USED)	\$ 5,309	\$ 60,854	\$ 24,616
NET CASH INCREASES (DECREASES)	\$ (134,832)	\$ 21,704	\$ 151,704
CASH AT END OF PERIOD	\$ 195,792	\$ 330,624	\$ 308,920

**DIOCESE OF THE SOUTH
2008 BUDGET REPORT**

	2008 Budget	2008 Actual	Overage	Percent
REVENUES				
Tithes	\$ 515,000	\$ 493,833	\$ (21,167)	-4%
Membership Assessments	213,373	205,637	(7,736)	-4%
Assemblies & Conferences	20,000	12,654	(7,347)	-37%
All Other	3,000	1,035	(1,965)	-66%
Interest & Investments	-	(22,841)		
TOTAL REVENUES	<u>\$ 751,373</u>	<u>\$ 690,317</u>	<u>\$ (61,056)</u>	<u>-8%</u>
EXPENSES				
Chancery Payroll	\$ 240,275	\$ 202,311	\$ (37,964)	-16%
Orthodox Church in America	257,616	252,526	(5,090)	-2%
Missions & Parish Development	176,093	174,867	(1,226)	-1%
Deans & Missions Director Stipends	42,000	42,000	-	0%
Travel & Meetings	27,500	20,469	(7,031)	-26%
Administrative & Office	12,000	13,277	1,277	11%
Building & Grounds	60,000	23,202	(36,798)	-61%
Publications	10,000	11,101	1,101	11%
Auxiliary Bishop Consecration	-	6,733	6,733	
Diocesan Assembly	15,000	14,652	(348)	
Youth Activities	5,000	568	(4,432)	-89%
Clergy Conference	7,000	-	(7,000)	-100%
Clergy Wives Activities	3,000	1,058	(1,942)	-65%
TOTAL EXPENSES	<u>\$ 855,484</u>	<u>\$ 762,764</u>	<u>\$ (92,720)</u>	<u>-11%</u>
NET INCOME	<u>\$ (104,111)</u>	<u>\$ (72,447)</u>	<u>\$ 31,664</u>	<u>-30%</u>

Diocese of the South
Orthodox Church in America
P.O. Box 191109
Dallas, Texas 75219
Telephone:214/522-4149

July 15, 2009

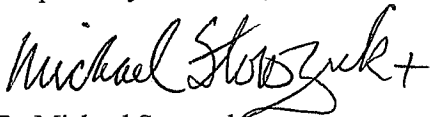
Diocesan Council
Diocese of the South
Orthodox Church in America

Members of the Council:

The undersigned examined the Diocesan financial records to verify that the numbers shown therein conform with those of the Income Statement and the Consolidated Balance Sheet for Calendar Year 2008, as prepared by the treasurer. No material discrepancies between the Financial Statements and the underlying financial records were found.

The bank balances and investment holdings were reconciled to the statements of the brokerage depository institutions. The listing of Tithes and Assessments Receivable was reviewed, all of which were subsequently collected in full.

Respectfully submitted,



Fr. Michael Storozuk
St. Paul the Apostle Orthodox Church
Denison, Texas

**DIOCESE OF THE SOUTH
2010 PROPOSED BUDGET**

	<u>Option 1</u>	<u>Option 2</u>
REVENUES		
Tithes (10% of Church Income)	\$ 600,000	\$ 600,000
Membership Assessments (3% of Church Income)	<u>180,000</u>	<u>Eliminated</u>
TOTAL REVENUES	<u>\$ 780,000</u>	<u>\$ 600,000</u>
EXPENSES		
I. DIOCESAN ADMINISTRATION		
A. Payroll		
Loucum Tenems	\$ 33,600	\$ 33,600
Chancellor	50,332	50,332
Administrator/Treasurer	24,000	24,000
Deans Stipends	42,000	42,000
Chancery Staff Additions	<u>116,000</u>	<u>116,000</u>
Subtotal	\$ 265,932	\$ 265,932
B. Travel		
Loucum Tenems	\$ 5,000	\$ 5,000
Chancellor & Administrator	15,000	15,000
Deans	6,000	6,000
Diocesan Council & Deans Meetings	15,000	15,000
Invitational	<u>5,000</u>	<u>5,000</u>
Subtotal	\$ 46,000	\$ 46,000
C. Building & Grounds		
Insurance	\$ 3,000	\$ 3,000
Landscaping	1,200	1,200
Pest Control	400	400
Maintenance & Repairs	1,000	1,000
Utilities	4,000	4,000
Chancery Office Reconfiguration	<u>10,000</u>	<u>10,000</u>
Subtotal	\$ 19,600	\$ 19,600
D. Office & Administrative Expense		
Telephone	\$ 4,000	\$ 4,000
Equipment	3,000	3,000
Office Supplies	3,000	3,000
Postage	1,200	1,200
Copying & Printing	2,600	2,600
Other	<u>2,000</u>	<u>2,000</u>
Subtotal	\$ 15,800	\$ 15,800
E. Diocesan Sponsored Activities		
The Dawn	\$ 5,000	\$ 5,000
Diocesan Assembly	15,000	15,000
Clergy Conference	5,000	7,000
Clergy Wives Programs	2,500	3,000
Youth Programs	2,500	3,000
Diocesan Seminary	-	-
Subtotal	<u>\$ 30,000</u>	<u>\$ 33,000</u>
TOTAL DIOCESAN ADMINISTRATION	<u>\$ 377,332</u>	<u>\$ 380,332</u>
II. MISSIONS & PARISH DEVELOPMENT		
A. Overhead		
Field Travel	\$ 5,000	\$ 5,000
Interest Expense	<u>32,000</u>	<u>32,000</u>
Subtotal	\$ 37,000	\$ 37,000
B. Financial Assistance to Parishes & Missions		
	<u>158,000</u>	<u>113,000</u>
TOTAL MISSIONS & PARISH DEVELOPMENT	<u>\$ 195,000</u>	<u>\$ 150,000</u>
III. ORTHODOX CHURCH IN AMERICA		
Diocesan Assessment	\$ 249,375	\$ 249,375
Metropolitan Council	1,500	1,500
Personal Assistance Program	<u>1,800</u>	<u>1,800</u>
TOTAL ORTHODOX CHURCH IN AMERICA	<u>\$ 252,675</u>	<u>\$ 252,675</u>
TOTAL EXPENSES	<u>\$ 825,007</u>	<u>\$ 783,007</u>
BUDGET SURPLUS (DEFICIT)	<u>\$ (45,007)</u>	<u>\$ (183,007)</u>