

**THE PROTESTANT EPISCOPAL CHURCH
IN THE DIOCESE OF VIRGINIA**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

*As of and for the Year Ended December 31, 2020
(With Comparative Totals for December 31, 2019)*

And Report of Independent Auditor

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA

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Report of Independent Auditor

To the Executive Board
The Protestant Episcopal Church in the Diocese of Virginia
Richmond, Virginia

We have audited the accompanying financial statements of The Protestant Episcopal Church in the Diocese of Virginia, which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Protestant Episcopal Church in the Diocese of Virginia as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Comparative Information

We have previously audited The Protestant Episcopal Church in the Diocese of Virginia's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 2, 2020. In our opinion, the comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedules on pages 17 through 24 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements as of December 31, 2020 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Cherry Bekart LLP

Richmond, Virginia
November 15, 2021

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2020

(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,386,468	\$ 1,893,322
Investments - STAMP	814,172	1,109,818
Accounts receivable	431,247	766,904
Contributions receivable	84,805	130,889
Prepaid expenses and other current assets	44,897	44,897
Real estate held for sale	1,263,449	1,482,569
Total Current Assets	<u>5,025,038</u>	<u>5,428,399</u>
Investments - Trustees of the Funds	<u>28,038,944</u>	<u>24,807,307</u>
Property and equipment - net	<u>123,740</u>	<u>162,022</u>
Other Assets:		
Real estate	55,371,487	55,371,487
Beneficial interest in trusts	247,220	232,459
Total Other Assets	<u>55,618,707</u>	<u>55,603,946</u>
Assets Held as Agent:		
Investments held for others	1,325,856	1,033,099
Less investment held for others	<u>(1,325,856)</u>	<u>(1,033,099)</u>
Total Assets Held as Agent	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 88,806,429</u>	<u>\$ 86,001,674</u>
LIABILITIES		
Current Liabilities:		
Accounts payable and other liabilities	\$ 806,124	\$ 289,049
Current portion of notes payable	<u>-</u>	<u>93,739</u>
Total Current Liabilities	<u>806,124</u>	<u>382,788</u>
Long-Term Liabilities:		
Notes payable - less current portion	<u>1,004,085</u>	<u>2,757,948</u>
Total Liabilities	<u>1,810,209</u>	<u>3,140,736</u>
NET ASSETS		
Without Donor Restrictions:		
Undesignated	14,203,393	13,629,176
Board designated	<u>57,050,665</u>	<u>55,207,374</u>
Total Without Donor Restrictions	<u>71,254,058</u>	<u>68,836,550</u>
With donor restrictions	<u>15,742,162</u>	<u>14,024,388</u>
Total Net Assets	<u>86,996,220</u>	<u>82,860,938</u>
Total Liabilities and Net Assets	<u>\$ 88,806,429</u>	<u>\$ 86,001,674</u>

The accompanying notes to the financial statements are an integral part of this statement.

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2020

(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2019)

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Operating revenue	\$ 8,716	\$ -	\$ 8,716	\$ 529,379
Support and Other Revenue:				
Gain from sale of real estate	1,756,029	-	1,756,029	1,956,681
Contributions from churches	4,067,603	-	4,067,603	3,899,719
Individual contributions and gifts	78,557	-	78,557	22,191
Health insurance reimbursement	108,383	-	108,383	101,052
Investment income, net	1,272,701	988,197	2,260,898	3,452,361
Change in beneficial interest in trust	-	14,761	14,761	25,920
Other income	393,838	1,218,790	1,612,628	2,041,684
	7,677,111	2,221,748	9,898,859	11,499,608
Net assets released from restrictions	503,974	(503,974)	-	-
Total Support and Other Revenue	8,181,085	1,717,774	9,898,859	11,499,608
Total Revenue and Support	8,189,801	1,717,774	9,907,575	12,028,987
Expenses and Other Deductions:				
Program Services Expenses:				
Support of Our Greater Church Community	685,183	-	685,183	699,692
Ministry Areas in the Diocese	2,207,958	-	2,207,958	2,853,098
Governance and commission support	618,154	-	618,154	425,296
Communications and Technology Across the Diocese	361,198	-	361,198	391,366
Camps and conferences	70,791	-	70,791	713,600
Total Program Services Expenses	3,943,284	-	3,943,284	5,083,052
Supporting Services Expenses:				
General administration	1,627,691	-	1,627,691	1,588,094
Fundraising	201,318	-	201,318	185,691
Total Supporting Services Expenses	1,829,009	-	1,829,009	1,773,785
Total Expenses and Other Deductions	5,772,293	-	5,772,293	6,856,837
Change in net assets	2,417,508	1,717,774	4,135,282	5,172,150
Net assets, beginning of year	68,836,550	14,024,388	82,860,938	77,688,788
Net assets, end of year	\$ 71,254,058	\$ 15,742,162	\$ 86,996,220	\$ 82,860,938

The accompanying notes to the financial statements are an integral part of this statement.

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2020

(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2019)

	2020									2019	
	Program Services					Supporting Services				Total	Total
	Support of Our Greater Church Community	Ministry Areas in the Diocese	Governance and Commission Support	Communications and Technology Across the Diocese	Camps and Conferences	Total Program Services	General Administration	Fund Raising	Total Supporting Services		
Salaries and wages	\$ -	\$ 645,435	\$ 385,043	\$ 334,226	\$ 30,113	\$ 1,394,817	\$ 1,089,589	\$ 197,091	\$ 1,286,680	\$ 2,681,497	\$ 2,628,197
Room and board	-	-	-	-	-	-	-	-	-	-	405,982
Travel	2,972	13,420	5,344	3,534	-	25,270	10,361	4,227	14,588	39,858	137,798
Grants	-	238,089	-	-	-	238,089	-	-	-	238,089	474,830
Scholarships	-	-	-	-	-	-	-	-	-	-	3,153
Committees	-	37,547	1,963	-	-	39,510	-	-	-	39,510	111,419
Ministries	-	37,729	35,850	-	-	73,579	5,621	-	5,621	79,200	112,655
Other	682,211	13,222	163,209	1,842	16,114	876,598	5,607	-	5,607	882,205	753,688
Insurance	-	29,580	-	-	-	29,580	166,811	-	166,811	196,391	108,801
Aid for mission churches	-	588,667	-	-	-	588,667	-	-	-	588,667	652,371
Aid to churches	-	13,465	-	-	-	13,465	-	-	-	13,465	109,502
Aid to other organizations	-	47,250	-	-	-	47,250	-	-	-	47,250	40,500
College ministries support	-	271,012	-	-	-	271,012	-	-	-	271,012	244,771
Support services	-	97,823	-	-	-	97,823	-	-	-	97,823	119,806
Auto expense and reserve	-	-	-	-	-	-	8,831	-	8,831	8,831	50,751
Telephone	-	-	-	-	-	-	16,678	-	16,678	16,678	19,172
Office supplies	-	3,721	-	608	14,332	18,661	48,540	-	48,540	67,201	89,100
Building expenses	-	99,592	-	-	-	99,592	67,168	-	67,168	166,760	218,318
Professional fees	-	-	26,745	657	10,232	37,634	105,504	-	105,504	143,138	249,461
Miscellaneous	-	71,406	-	20,331	-	91,737	64,699	-	64,699	156,436	296,283
	685,183	2,207,958	618,154	361,198	70,791	3,943,284	1,589,409	201,318	1,790,727	5,734,011	6,826,558
Depreciation	-	-	-	-	-	-	38,282	-	38,282	38,282	30,279
Total expenses	\$ 685,183	\$ 2,207,958	\$ 618,154	\$ 361,198	\$ 70,791	\$ 3,943,284	\$ 1,627,691	\$ 201,318	\$ 1,829,009	\$ 5,772,293	\$ 6,856,837

The accompanying notes to the financial statements are an integral part of this statement.

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2020

(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2019)

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ 4,135,282	\$ 5,172,150
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	38,282	30,279
Gain from sale of real estate	(1,756,029)	(1,956,681)
Unrealized gain on investments - net	(1,187,431)	(2,167,828)
Increase in beneficial interest in trusts	(14,761)	(25,920)
Change in:		
Accounts receivable	335,657	95,695
Contributions receivable	46,084	78,245
Accounts payable and other liabilities	517,075	42,408
Net cash flows from operating activities	<u>2,114,159</u>	<u>1,268,348</u>
Cash flows from investing activities:		
Purchase of investments, including reinvested income	(2,455,787)	(1,810,737)
Proceeds from sale of investments	707,227	522,005
Proceeds from sale of real estate	1,975,149	2,437,927
Purchase of property and equipment	-	(81,186)
Net cash flows from investing activities	<u>226,589</u>	<u>1,068,009</u>
Cash flows from financing activities:		
Payments on line of credit	-	(2,488,678)
Principal payments on notes payable	(1,847,602)	(103,874)
Net cash flows from financing activities	<u>(1,847,602)</u>	<u>(2,592,552)</u>
Net change in cash and cash equivalents	493,146	(256,195)
Cash and cash equivalents, beginning of year	1,893,322	2,149,517
Cash and cash equivalents, end of year	<u>\$ 2,386,468</u>	<u>\$ 1,893,322</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<u>\$ 61,970</u>	<u>\$ 139,205</u>

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 1—Organization and nature of activities

The Protestant Episcopal Church in the Diocese of Virginia (“Diocese”) is a community of members and clergy in counties throughout central, northern, and northwestern Virginia. Established in 1785, the Diocese serves the world through its congregations, schools, diocesan centers, and diocesan homes.

Note 2—Summary of significant accounting policies

Reporting Entity and Related Organizations – These statements present the financial position, changes in net assets, and cash flows for funds under control of the Annual Council of the Diocese. The statements do not present such information on individual church, parish, or regional organizations or separately organized and controlled entities in the Diocese, such as Trustees of the Funds of the Protestant Episcopal Church in the Diocese of Virginia, Inc. (“Trustees of the Funds” or “TOTF”), Memorial Trustees under the will of Annie Rose Walker and Roslyn Managers Corporation (“Memorial Trustees”), Diocesan Missionary Society of Virginia (“DMS”), Church Schools of the Diocese of Virginia (“CSDV”), The Episcopal Church Women, Virginia Diocesan Homes, and Shrine Mont, Inc. (“Shrine Mont”).

Basis of Presentation – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Diocese financial statements have been prepared to focus on the organization as a whole. Resources are classified into two net asset categories based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Diocese and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Diocese. These net assets may be used at the discretion of the Diocese management and the Board of Directors. The Diocese has chosen to provide further classification information about net assets without donor restrictions on the statements of financial position. The sub classifications are as follows:

Undesignated – Represents the cumulative net assets without donor restrictions excluding those net assets designated for specific activities.

Board-Designated – Comprised of funds set aside by the Board of Directors to be used for specific activities within general guidelines established by the Diocese.

Net Assets With Donor Restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Diocese or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Such estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Cash and Cash Equivalents – For purposes of reporting cash flows, the Diocese considers demand deposits and investments with a purchased maturity of less than three months to be cash and cash equivalents.

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 2—Summary of significant accounting policies (continued)

Investments – Investments are recorded at their net asset value (“NAV”), or its equivalent. Investment income is recorded when interest is earned and dividends are declared. Gain or loss on investment sales is recorded on the trade-date based upon specific identification. Unrealized gains and losses on investments are recorded based on the change between cost basis and NAV of investments at year-end compared to the change in the prior year.

Accounts Receivable – Accounts receivable represent amounts due to the Diocese related to program revenues. Accounts receivable are written off when determined to be uncollectible. In management’s opinion, no allowance is needed at December 31, 2020.

Property and Equipment – Property and equipment are stated at cost. Major additions are capitalized. Repairs and renewals are expensed. Depreciation is computed using the straight-line method over a useful life of between five and seven years.

Real Estate and Real Estate Held for Sale – The Diocese holds real estate, recorded at cost, as a part of mission development projects in various regions. The intent is to transfer the properties to the particular parishes when they are authorized to appoint their own trustees. The real estate acquired through the property litigation has been recorded at the property’s fair value at the time of acquisition. It will be carried at the acquisition date fair value until it is either disposed of or the value is deemed to be permanently impaired.

Property titled to trustees of individual congregations is not recorded by the Diocese. Under the Canon law of the Episcopal Church, this property is held in trust, in the names of the individual churches, for the benefit of the Episcopal Church and the Diocese.

Income Tax Status – The Diocese is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code; accordingly, the accompanying financial statements do not reflect a provision or liability for federal and state income taxes. The Diocese has determined that it does not have any material unrecognized tax benefits or obligations as of December 31, 2020.

Concentration of Credit Risk – Financial instruments which potentially subject the Diocese to concentrations of credit risk consist principally of temporary cash investments and trade receivables. The Diocese places its cash and cash equivalents on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation provides insurance coverage for up to \$250,000 for substantially all depository accounts. The Diocese, from time to time, may have amounts on deposit in excess of the insured limits; however, the Diocese has not experienced any losses in such amounts. As of December 31, 2020 the Diocese had \$1,653,951 in deposits that exceeded these insured limits.

Contributions – Contributions are recognized when cash, other assets, or an unconditional promise to give is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return or right of release, are not recognized until the conditions on which they depend have been substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Functional Expenses – The costs of providing the various programs and other activities of the Diocese have been summarized on a functional basis in the statement of functional expenses. Direct, identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are allocated to the various programs and supporting services based on time and effort.

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 2—Summary of significant accounting policies (continued)

Future Accounting Pronouncement – In February 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-02, *Leases*. ASU 2016-02 is intended to improve financial reporting about leasing transactions. The ASU will require organizations that lease assets to recognize assets and liabilities on the statement of financial position for the rights and obligations created by those leases. The standard will be effective for the fiscal years beginning after December 15, 2021. The Diocese is currently in the process of evaluating the impact of the adopting the provisions of ASU 2016-02 on the financial statements.

Note 3—Liquidity and availability

Financial assets available for general expenditures within one year at December 31, 2020:

Financial assets at year-end:	
Cash and cash equivalents	\$ 2,386,468
Investments	28,853,116
Accounts receivable	431,247
Contributions receivable	84,805
	<hr/>
Total financial assets at year-end	31,755,636
Less amounts not available to be used for general expenditures within one year:	
Net assets with donor restrictions	15,742,162
	<hr/>
Financial assets available to be used within one year	<u>\$ 16,013,474</u>

The Diocese has board-designated assets limited to use which are available for general expenditures within one year in the normal course of operations. Accordingly, these assets have been included in the quantitative information above for financial assets available to be used within one year. The Diocese has other assets limited to use for donor-restricted purposes and endowed investments. These assets are limited in use, which is more fully described in Note 14, and are not available within one year.

As part of the Diocese’s liquidity management plan, cash in excess of daily requirements are invested in the investment accounts. The Diocese considers general expenditures to include program expenses, management and administrative expenses, and any commitments or liabilities to be paid in the subsequent year.

Note 4—Investments

Investments are reported at fair value. Investments consist of the following at December 31, 2020:

	<u>Fair Value</u>	<u>Cost</u>
Investments - STAMP	\$ 814,172	\$ 829,971
Investments - Trustees of the Funds	28,038,944	14,998,809
	<hr/>	<hr/>
	<u>\$ 28,853,116</u>	<u>\$ 15,828,780</u>

The Diocese also has amounts invested with Trustees of the Funds of the Episcopal Diocese of Virginia (“TOTF”) through a unitized investment pool for Diocesan organizations and parishes within the Diocese of Virginia. The funds are held as part of a diversified managed endowment model portfolio. Investment earnings net of fees are allocated to the participants based on units.

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 4—Investments (continued)

Investment income included the following for December 31, 2020:

STAMP income	\$	24,336
STAMP unrealized loss		(7,785)
Trustees of the Funds income, net		1,049,131
Trustees of the Funds unrealized gain		1,195,216
	<u>\$</u>	<u>2,260,898</u>

Note 5—Investments carried at net asset value or its equivalent

All amounts held by TOTF are held in two accounts (TOTF and STAMP) with no restrictive redemption provisions and no unfunded commitment requirements. TOTF is managed with the overall investment objective of preserving a steady and consistent spending stream for the support of fund participants. The asset structure reflects TOTF’s needs for liquidity, preservation, purchasing power, long-term growth of principal, and risk tolerance of the TOTF. TOTF investments are comprised of three parts: a bond fund, an equity fund, and a short-term fund. Each one has specific objectives and policy guidelines.

The table below sets forth a summary of investments that are valued using NAV at December 31, 2020. This category includes the following type of investment:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Lock-In Period</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Trustees of the Funds ^(a)	\$ 28,038,944	n/a	n/a	Daily	None
STAMP ^(b)	\$ 814,172	n/a	n/a	Daily	None

^(a) This class includes funds of hedge funds across multiple strategies. Sub-strategies include, but are not limited to: long/short term debt, absolute return, and even driven.

^(b) This class includes investments in shorter-term, investment grade bonds, U.S. Treasury and government agency bonds, pooled consumer bonds, mortgages, and asset-backed securities.

Note 6—Property and equipment

Major classes of property and equipment consisted of the following at December 31, 2020:

Equipment	\$	307,258
Vehicles		182,293
		<u>489,551</u>
Less accumulated depreciation		(365,811)
	<u>\$</u>	<u>123,740</u>

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 7—Beneficial interest in trusts

The Diocese is an income beneficiary of a perpetual trust. This trust makes distributions to the Diocese based on the Diocese's percentage interest as stated in the trust documents. The fair value of the interest in the trusts is \$247,220 at December 31, 2020, which has been recorded as an asset and is adjusted each year to reflect the change in value. The Diocese has also been named as a beneficiary in a charitable lead trust. No financial information is currently available to value this interest. Annual receipts on this trust are included in gift income.

Note 8—Related party transactions

The Diocese provides administrative and accounting services to several related organizations. TOTF and DMS reimburse the Diocese for a portion of the salary and benefits of the accounting staff under a "common paymaster" arrangement. Under this arrangement, any person employed by several related organizations is compensated by one organization, which is reimbursed by the other organizations. During 2020, salary costs incurred and subsequently reimbursed were \$89,086 and \$148,400 for TOTF and DMS, respectively. As of December 31, 2020, the Diocese also had related party receivables with the TOTF, Memorial Trustees, and DMS in the amount of \$31,720, \$9,476, and \$11,385, respectively.

TOTF, a nonstock, nonprofit corporation, was established in 1892 to receive, hold, and invest gifts and bequests of real and personal property for the Diocese, including the Mayo Memorial House, which is used as the general offices of the Diocese. The Diocese receives free use of the Mayo Memorial House. The value of this non-exchange transaction is not reflected in the financial statements.

The Diocese runs camps and conferences as a part of their summer programs. These activities are held at Shrine Mont, which is a separate Diocesan retreat facility. During 2020, the Diocese paid \$5,649 for room and board to Shrine Mont as a part of these programs.

The Diocesan Missionary Society provides loans to organizations within the Diocese that are in financial need. One loan to the Diocese is outstanding as of December 31, 2020, with a balance of \$1,004,085 (see Note 10).

Note 9—Pension plan

The Diocese has a defined contribution pension plan for all lay employees working at least 20 hours per week in accordance with the requirements of the Canons of the Episcopal Church. Plan contribution expense for 2020 was \$175,642. In addition, clergy employees of the Diocese participate in the defined benefit pension plan of the Church Pension Fund in accordance with the Canons of the Episcopal Church. Pension plan expense on behalf of clergy employees of the Diocese in 2020 was \$125,251.

Note 10—Notes payable

Notes payable consisted of the following as of December 31, 2020:

Note payable to DMS - collateralized by real property, due in quarterly installments of interest only at 2.80%, with remaining principal due in full April 2024, assuming all future 5-year extensions are granted.	\$ 1,004,085
Less current portion	-
	<u>\$ 1,004,085</u>

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 10—Notes payable (continued)

Estimated future principal payments on notes payable for years ending December 31 are as follows:

2021	\$	-
2022		-
2023		-
2024		1,004,085
		<u>1,004,085</u>
	\$	<u>1,004,085</u>

Note 11—Lease commitments

The Diocese has noncancelable operating lease agreements for copiers and equipment. The copier leases require payment of an excess copy charge in addition to the monthly lease payment.

Minimum lease commitments for future years ending December 31 are as follows:

2021	\$	18,761
2022		4,670
2023		4,670
2024		4,670
2025		1,557
		<u>1,557</u>
	\$	<u>34,328</u>

The Diocese leases real estate property owned to tenants under noncancelable operating leases with the terms of 5 to 15 years. The following is a schedule, by years, of future minimum rentals under the leases at December 31, 2020:

2021	\$	120,000
2022		120,000
2023		120,000
2024		120,000
2025		120,000
Thereafter		680,000
		<u>680,000</u>
	\$	<u>1,280,000</u>

Note 12—Commitments and contingencies

The Diocese has guaranteed a \$6,000,000 20-year tax-exempt bond issuance by Memorial Trustees. The bonds were originally issued in September 2001 and subsequently re-issued in 2012 at \$4,025,000. The outstanding balance on the bonds at December 31, 2020 was \$2,705,549. No liability has been accrued with respect to the guarantee.

The Diocese has outstanding commitments at year-end of approximately \$146,359 with respect to a convention taking place in 2022.

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 12—Commitments and contingencies (continued)

In response to the worldwide spread of coronavirus (“COVID-19”), management of the Diocese has implemented a number of practices designed to protect the safety and well-being of its employees and customers including adoption of the applicable portions of the President’s Coronavirus Guidelines for America (the “Guidelines”). Adoption of the Guidelines has resulted in, among other things, a significant number of the Diocese’s personnel working remotely as well as a renewed emphasis in employee communications with respect to jobsite hygiene and social distancing for those employees whose responsibilities require them to be physically present at various locations.

The extent to which COVID-19 may impact the Diocese’s future operations will depend upon future developments which are highly uncertain and cannot be predicted at this time. In response to this uncertainty, management is continuously monitoring the Diocese’s financial performance and related cash position and liquidity and developing and implementing plans designed to maintain the Diocese’s consolidated financial position should the breadth and duration of the business disruptions related to COVID-19.

Note 13—Board-designated net assets

Net assets without donor restriction includes designated funds by the Diocese for the following purposes at December 31, 2020:

Diocesan programs	<u>\$ 57,050,665</u>
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These amounts include an operating reserve that was established by the Diocese to provide for liquid funds in the event of short-term cash flow needs for unanticipated events that would necessitate the use of reserves to continue the operations and mission of the organization.

Note 14—Restricted net assets

The Diocese had restrictions on net assets as follows at December 31, 2020:

Purpose restricted:	
Development funds	\$ 2,251,857
Diocesan programs	2,935,284
Bishop's programs	3,414,899
Beneficial interest in perpetual trusts	247,220
Time restricted for endowments, some of which is perpetual in nature:	
Bishop's programs	<u>6,892,902</u>
Total restricted net assets	<u>\$ 15,742,162</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or other events specified by the donors as follows for the year at December 31, 2020:

Satisfaction of purpose restriction	<u>\$ 503,974</u>
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THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 15—Endowment funds

The Diocese's endowment consists of 29 individual funds. These funds are all donor-restricted endowment funds and were established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board to function as endowments. As required by U.S. GAAP, net assets associated with these endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The management of donor-restricted endowment funds is governed by state law under the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as adopted by the Virginia state legislature in 2008. The law gives guidance for investment and spending practices, giving consideration for donor intent and the organization's overall resources and charitable purpose. As a result of this interpretation, the Diocese classifies as net assets with donor restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. The Diocese considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Diocese, and (7) the Diocese's investment policies.

Investment Return Objectives, Risk Parameters and Strategies – The Diocese is guided by the investment and spending policies of the Trustees of the Funds for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. To support distributions and preserve purchasing power, the Trustees of the Funds' objective is to maximize investment return within reasonable and prudent levels of risk. While it is understood that the Diocese has the right to withdraw its investments at any time according to the then current withdrawal policy of the Trustees of the Funds, it is the express intent of the Trustees of the Funds to invest the fund for the long term and accept that level of portfolio risk consistent with achieving long-term growth and preservation of capital.

Spending Policy – In pursuit of this objective, the Trustees of the Funds have set an annual distribution rate policy range of 4% to 5%. The annual distribution, calculated using the current distribution rate, is based on a rolling 20-quarter market value average of the fund. The Trustees of the Funds authorize the annual distribution to be issued after the third quarter of each calendar year. The distribution rate will be reviewed annually for appropriateness in prevailing economic conditions. The Diocese may request a different payout percentage, subject to approval by the Trustees of the Funds. To serve these management objectives, the investment objective of the Diocese is to attain a real total return of at least 5% per annum over the long term.

Funds with Deficiencies – From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the UPMIFA requires the Diocese to retain as a fund of perpetual duration. At December 31, 2020, funds with original gift values of \$125,000, fair values of \$97,671, and deficiencies of \$27,329 were reported in net assets with donor restrictions. These deficiencies resulted from unfavorable market fluctuations.

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 15—Endowment funds (continued)

Endowment net asset composition by type of fund as of December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted amounts and amounts required to be maintained in perpetuity by donor	\$ -	\$ 2,225,339	\$ 2,225,339
Accumulated investments gains	-	4,667,563	4,667,563
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 6,892,902</u>	<u>\$ 6,892,902</u>

Changes in endowment net assets for the fiscal year ended December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ -	\$ 6,514,712	\$ 6,514,712
Investment income, net	-	382,415	382,415
Appropriation for expenditure	-	(4,225)	(4,225)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 6,892,902</u>	<u>\$ 6,892,902</u>

Note 16—Fair value measurements

Accounting standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets that the Diocese has the ability to access.

Level 2 – Inputs to the valuation methodology are other than quoted prices in active markets, which are wither directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

Note 16—Fair value measurements (continued)

The valuation methodology used for assets measured at fair value is listed below. There have been no changes in the methodology used during 2020.

Beneficial Interest in Trusts – Valued using the fair value of the underlying assets of the trust as an estimate for the present value of the expected future cash flows.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Diocese believes its valuation methods are appropriate and consistent with those of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Diocese’s assets at fair value as of December 31, 2020:

	Assets at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Beneficial interest in trusts	\$ -	\$ -	\$ 247,220	\$ 247,220
Investments measured at NAV ^(a)	-	-	-	28,853,116
Total assets at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 247,220</u>	<u>\$ 29,100,336</u>

^(a) In accordance with Subtopic 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

Level 3 Gains and Losses – The table below sets forth a summary of changes in the fair value of the beneficial interest in trust for 2020.

Balance, beginning of year	\$ 232,459
Change in fair value	14,761
Balance, end of year	<u>\$ 247,220</u>

Note 17—Comparative totals

The summarized amounts shown for 2019 in the accompanying financial statements are included to provide a basis for comparison with 2020 and are not intended to present all information necessary for a fair presentation of the summarized 2019 statements in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Diocese’s financial statements for 2019, from which the summarized information was derived.

Note 18—Subsequent events

In preparing these financial statements, the Diocese has evaluated events and transactions for potential recognition or disclosure through November 15, 2021, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
SCHEDULE OF OPERATING FUNDS, BUDGETARY COMPARISON
OF SUPPORT, AND REVENUES AND EXPENSES

YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2019)

	2020		2019	Budget Variance Favorable (Unfavorable)	
	Budget	Actual	Actual	Amount	Percent
Support and Revenue:					
Contributions from churches	\$4,250,000	\$4,067,603	\$3,899,719	\$ (182,397)	-4.29%
Other gifts, grants, and promises to give	274,000	144,493	73,156	(129,507)	-47.27%
Investment income (loss)	-	70,731	158,411	70,731	100.00%
Income from Virginia Episcopalian	15,000	8,716	34,591	(6,284)	-41.89%
Health insurance administration	105,000	108,383	101,052	3,383	3.22%
Miscellaneous income	-	6,653	2,317	6,653	0.00%
	<u>4,644,000</u>	<u>4,406,579</u>	<u>4,269,246</u>	<u>(237,421)</u>	<u>-5.11%</u>
Net assets released from restrictions	493,000	503,974	490,591	10,974	2.23%
Total Support and Revenue	<u>5,137,000</u>	<u>4,910,553</u>	<u>4,759,837</u>	<u>(226,447)</u>	<u>-4.41%</u>
Expenses:					
Ministry Areas:					
General Church Support	666,656	666,656	632,242	-	0.00%
Christian Formation:					
Committee on Christian Formation	303,760	270,704	294,024	33,056	10.88%
Youth ministry development	7,000	2,552	774	4,448	63.54%
Clergy and diocesan conferences	13,500	4,273	38,123	9,227	68.35%
Education for ministry program	2,500	(9,083)	12,898	11,583	463.32%
	<u>326,760</u>	<u>268,446</u>	<u>345,819</u>	<u>58,314</u>	<u>17.85%</u>
Strengthening Our Churches:					
Aid to mission churches	524,300	498,964	544,828	25,336	4.83%
Aid to mountain missions	75,500	55,837	71,718	19,663	26.04%
Special ministries and other committees	41,650	33,650	36,148	8,000	19.21%
Other areas for strengthening our churches	56,900	27,474	32,060	29,426	51.72%
	<u>698,350</u>	<u>615,925</u>	<u>684,754</u>	<u>82,425</u>	<u>11.80%</u>
Mission and Outreach:					
Committee on Mission and Outreach	28,820	7,105	10,503	21,715	75.35%
Other mission and outreach areas	62,500	52,250	45,500	10,250	16.40%
	<u>91,320</u>	<u>59,355</u>	<u>56,003</u>	<u>31,965</u>	<u>35.00%</u>
Ministry:					
Commission on Ministry	125,000	92,788	90,053	32,212	25.77%
Human Dignity and Justice:					
Areas for Human Need and Justice	32,890	3,152	4,520	29,738	90.42%
Total Ministry Areas	<u>1,940,976</u>	<u>1,706,322</u>	<u>1,813,391</u>	<u>234,654</u>	<u>12.09%</u>

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
SCHEDULE OF OPERATING FUNDS, BUDGETARY COMPARISON
OF SUPPORT, AND REVENUES AND EXPENSES (CONTINUED)

YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2019)

	2020		2019	Budget Variance Favorable (Unfavorable)	
	Budget	Actual	Actual	Amount	Percent
Expenses (continued):					
Governance and Committee Support:					
Standing Committee	\$ 10,000	\$ 1,095	\$ 1,617	\$ 8,905	89.05%
Executive Board, Deans, and Presidents	3,700	958	3,472	2,742	74.11%
Other committee support	34,752	15,555	21,256	19,197	55.24%
	<u>48,452</u>	<u>17,608</u>	<u>26,345</u>	<u>30,844</u>	<u>63.66%</u>
Communications & Technology:					
Virginia Episcopalian and eCommunique	64,000	12,386	46,032	51,614	80.65%
Other communications expenses	28,500	14,102	40,512	14,398	50.52%
	<u>92,500</u>	<u>26,488</u>	<u>86,544</u>	<u>66,012</u>	<u>71.36%</u>
Bishops, Staff, and Support:					
The Episcopate:					
Bishops	389,001	512,184	423,223	(123,183)	-31.67%
Episcopal office staff	118,255	185,993	194,810	(67,738)	-57.28%
Other expenses of the Office of the Bishop	9,000	839	7,410	8,161	90.68%
Bishops and Episcopal office travel	65,350	19,565	58,340	45,785	70.06%
	<u>581,606</u>	<u>718,581</u>	<u>683,783</u>	<u>(136,975)</u>	<u>-23.55%</u>
Staff:					
Professional staff	1,937,872	1,845,288	1,716,427	92,584	4.78%
Staff travel	58,712	21,406	25,484	37,306	63.54%
Other staff expenses	15,000	17,323	29,670	(2,323)	-15.49%
	<u>2,011,584</u>	<u>1,884,017</u>	<u>1,771,581</u>	<u>127,567</u>	<u>6.34%</u>
Support:					
Automobile expenses	40,000	30,921	64,592	9,079	22.70%
Office supplies, equipment, and services	97,382	126,678	124,097	(29,296)	-30.08%
Building related expenses	100,000	204,013	155,524	(104,013)	-104.01%
Professional fees	50,000	105,504	82,338	(55,504)	-111.01%
Other expenses	7,000	10,781	6,974	(3,781)	-54.01%
	<u>294,382</u>	<u>477,897</u>	<u>433,525</u>	<u>(183,515)</u>	<u>-62.34%</u>
Total Bishops, Staff, and Support	<u>2,887,572</u>	<u>3,080,495</u>	<u>2,888,889</u>	<u>(192,923)</u>	<u>-6.68%</u>
Expended assets released from restrictions:					
Aid to individuals and organizations	-	503,974	490,591	(503,974)	-
Total Expenses	<u>4,969,500</u>	<u>5,334,887</u>	<u>5,305,760</u>	<u>(365,387)</u>	<u>-7.35%</u>

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
SCHEDULE OF OPERATING FUNDS, BUDGETARY COMPARISON
OF SUPPORT, AND REVENUES AND EXPENSES (CONTINUED)

YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2019)

	2020		2019	Budget Variance Favorable (Unfavorable)	
	Budget	Actual	Actual	Amount	Percent
Excess (deficiency) of support and revenue over expenses	<u>\$ 167,500</u>	<u>\$ (424,334)</u>	<u>\$ (545,923)</u>	<u>\$ (591,834)</u>	<u>-353.33%</u>
Transfer of Funds:					
Reserve accounts	(45,000)	(155,675)	(32,858)	(200,675)	100.00%
Shrine Mont camp program support	(122,500)	(70,787)	(122,500)	(51,713)	42.21%
Other	-	429,730	509,683	429,730	100.00%
	<u>(167,500)</u>	<u>203,268</u>	<u>354,325</u>	<u>177,342</u>	<u>-105.88%</u>
Total Changes in Net Assets After Transfers	<u>\$ -</u>	<u>\$ (221,066)</u>	<u>\$ (191,598)</u>	<u>\$ (414,492)</u>	<u>100.00%</u>

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
SCHEDULES OF DESIGNATED FUNDS

DECEMBER 31, 2020 AND 2019

	2020	2019
Annual Council Fund	\$ (84,584)	\$ (27,921)
Atlee Mission Fund	(384,372)	(377,349)
Auto Reserve	(58,079)	(95,443)
Biggar/Power Fund	600	600
Blakemore Trust Proceeds	57,723	1,215,815
Bishop Johnston Vestments	-	500
Bishops & Staff Reserve	47,575	48,775
Bishop's DMS Grant	130,521	109,085
Bishop's House	(123,852)	(39,685)
Bishop's house rent	(13,833)	10,627
Building Repairs Reserve	(425)	9,400
CCM-Reserve for Special Needs	29,836	9,836
CCM-Reserve for Transitions	25,000	10,000
Commission on Ministry Reserve	34,849	34,849
Committee on Aging	6,234	6,234
Committee on Race Relations	3,000	3,000
Communications Reserve	25,191	25,191
Congo	(1,636)	2,422
Congregational Development & Revitalization	16,312	16,312
Council Scholarship Fund	360	360
COVID-19 support	(4,198)	-
DaySpring	198,324	351,217
DaySpring Real Estate Fund	38,896,220	38,896,220
Deacons Reserve	39,746	42,862
Des - St. Andrew's Charlottesville	7,427	27,420
Designated Gift - S S Johnston	500	-
Des - Trinity Highland Springs	21,686	24,153
Diaconal Formation Institute	(6,503)	(16,124)
Diocesan Cemetery Fund	9,771	9,771
Diocesan Historic Property Fund	1,160	1,160
Diocesan Intern Program	5,000	5,000
Diocesan Program Office	21,110	21,110
Diocese of Madagascar	100	100
Diocese of Renk -- Sudan	14,836	14,236
Diocese of Tanzania	150,291	137,665
DOV Shout IT Facilities Fund	22,912	11,757
East End Initiative	(65,328)	(35,748)
Ecumenical and Interfaith Committee	960	960
Education for Ministry	965	965
EPIC Moms	19	19
Episcopal Transition Reserve	(32,765)	(30,697)
General Convention	13,620	(6,380)
Haiti	10,356	10,356
Interim Ministry Development	1,080	1,080
John G Hayes Jr Income Fd	(1,786)	(1,449)
John G Hayes Missionary Fund	1,126	1,126
La Iglesia de Santa Maria	(32,362)	(32,362)
Lambeth Convention	31,991	29,991
Subtotal (carried forward)	<u>39,016,678</u>	<u>40,427,016</u>

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
SCHEDULES OF DESIGNATED FUNDS (CONTINUED)

DECEMBER 31, 2020 AND 2019

	2020	2019
Subtotal (brought forward)	\$ 39,016,678	\$ 40,427,016
Latino Ministry	(2,415)	(2,415)
LGBTQ Retreat	1,152	1,908
Liberia	1,577	1,577
Mental Health Committee Reserve	20	20
Micro-Economic Development	72,750	72,750
Mission Development	90,750	90,750
Mission Maintenance & Repair Reserve	30,924	(4,076)
Mountain Mission Reserve	48,218	44,228
Native American Ministry	822	1,215
Office Equipment Reserve	6,932	6,932
Omisol Road - Reserve	(26,276)	40,715
Opiod Task Force	300	300
Prevention of Misconduct Reserve	4,000	4,000
Property & Opr Exp - St Pauls Haymarket	(17,428)	(7,357)
Property Exp - Church Hill Dr. Woodbridge	346,287	219,294
Property Fund	28,449	27,274
Property Maintenance Fund	19,827	20,634
Puerto Rico	1,793	1,793
Queen Esther Girls Secondary School Fund	27,426	-
Real Estate Value Fund	17,639,383	15,756,275
Region 2 Mission (Deltaville)	98,566	91,814
Reserve-2015 Unrestricted Reserve	649,758	681,459
Risk Management Program	26,315	18,481
Rockingham Property Fund (Reg 14)	12,811	12,811
Santa Maria Stewardship (DuPont Grant)	701	701
Shelton Shop Rd Property	182,834	166,155
SSJ Fund for Youth and Young Adult Formation	12,768	12,768
SSJ Portrait Fund	(11,500)	-
St. Clare's (W Henrico) Mission	(126,417)	(126,417)
St. Francis Mission Fd (Goochland)	(179,357)	(179,357)
ST Investments	436,901	34,510
St. Margarets Ruther Glenn	135	135
St. Phoebe's School	(14,538)	(1,018)
Stewardship Committee Reserve	467	467
Stewardship of Creation Grant Fund	5,228	5,228
Triangle of Hope	21,541	(1,524)
Trinity, Beaverdam	18,149	15,097
Trustees of the Funds	2,677,301	1,226,377
Virginia Diocesan Library	3,176	15,250
YASC - A Cameron	(380)	(380)
YASC - Duncan Campbell	1,310	1,310
YASC - A Jacobs	25	25
YASC - A Russell	973	973
YASC - C Belous	980	980
YASC - A. Davis	1,000	1,000
Young Priests Initiative	9,888	9,888
Youth Ministry	100,970	100,970
Total designated funds	\$ 61,220,774	\$ 58,790,536

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
SCHEDULES OF DEVELOPMENT FUNDS

DECEMBER 31, 2020 AND 2019

	2020	2019
Bishop Jones' Evangelism Fund	\$ 500	\$ 500
Bishop Lee Fund for Small Church Vitality	135,167	104,483
B Maxwell Art Camp Scholarship Fund	1,658	200
Camp Equipment	13,155	13,155
Camp Program TOF Investments	1,747,649	1,272,040
Camp Scholarship Annual Fund	126,175	41,460
FCF - Unrestricted	67,849	67,849
Mustard Seed Grant Fund	5,941	14,252
Pledges Receivable - SM Shout It! Campaign	61,829	108,325
Shrine Mont Shout It! Campaign	57,426	12,621
St. Georges Camp	19,848	19,848
Youth Mission Vouchers 2007	(600)	(200)
Youth Mission Vouchers 2008	(1,000)	(1,000)
Youth Mission Vouchers 2009	(1,500)	(1,500)
Youth Mission Vouchers 2010	13,836	13,836
Youth Mission Vouchers 2011	1,205	1,205
DVA Grant Fund	1,125	1,125
DFHN	1,595	1,593
Total development funds	\$ 2,251,858	\$ 1,669,792

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
SCHEDULES OF OTHER FUNDS

DECEMBER 31, 2020 AND 2019

	2020	2019
A.H. & C.J. Robinson Fund	\$ 409,409	\$ 296,243
Albert Baker Fund	136,750	136,750
Alison Gibson Fund	649	649
Ball Fund	165,354	165,354
Bishop Goff's Discretionary Fund	19,766	10,608
Bishop Goodwin Memorial Scholarship Fd	12,860	12,860
Bishop Gulick's Discretionary Fund	11,345	10,320
Bishop Ihloff Discretionary Fund	8,292	8,292
Bishop Jennifer Brooke-Davidson	6,890	750
Bishop Johnston's Discretionary Fund	59	3,361
Bishop Jones' Discretionary Fund	41,918	39,972
Bishop Jones Evangelism Grant Fund	8,793	8,793
Bishop Jones' Sabbatical Fund	3,226	3,226
Bishop Mason Memorial Fund	1,770	1,770
Bishops Combined Discretionary Fund	(1,504)	901
Bishop's Emergency Needs Fund	79,913	79,913
Bishop's Theological Education Fund	8,270	8,270
Bishop P.J.L. Disc Fd	(9,336)	664
Bishop R. F. Gibson Memorial Fund	1,518	1,518
Bishop R. F. Gibson Property Foundation	10,856	10,856
Bruce Fund	56,844	56,844
Canon Wingo Discretionary Fund	2,784	2,784
Columbia Walker Memorial Missions Fund	51,735	51,735
David Lewis Memorial Fund	5,619	5,619
Disabled Clergy Fund	733,765	742,790
Diocesan Fund for Human Need	21,777	18,781
Diocesan Fund for World Mission	17,298	12,260
Dickinson Memorial Fund	(50,000)	(50,000)
Dooley Fund	263,986	263,986
duPont Diocesan Enrichment Fund	4,453	4,453
duPont Small Church Clergy Development	17,050	17,050
E Holcombe Palmer Fund	3,301	3,301
ECW Gift - Bishop Goff	339	339
Ellen Goldsborough Fund	(6,188)	7,062
Episcopal Fund	(15,000)	-
Fear Not Fund	550	525
Fifth Century Fund	50,000	50,000
Forest Fund	55,257	55,257
Francis Edmonia Newman Fund	75,956	76,785
Freda W Kipps Income Fund	38,863	38,863
Gilliatt Campus Ministry Fund	10,559	10,559
Hugh McGuire Taylor Fund	36,839	36,839
Subtotal (carried forward)	<u>2,292,585</u>	<u>2,206,902</u>

THE PROTESTANT EPISCOPAL CHURCH IN THE DIOCESE OF VIRGINIA
SCHEDULES OF OTHER FUNDS (CONTINUED)

DECEMBER 31, 2020 AND 2019

	2020	2019
Subtotal (brought forward)	\$ 2,292,585	\$ 2,206,902
Ida B Gale Fund	37,554	37,554
Julia A Ward Income Fund	802	802
John and Ethel Davis Fund	1,302	1,302
John Lyons Fund	6,207	6,207
Katherine G Cook Scholarship	2,162	2,162
Lucille McGriff Fund	851	851
M Thorpe Disc Fd	1,955	1,655
Mary Amanda Stewart Fund	10,823	10,823
MEZ Grant	2,609	2,609
Moncure Memorial Fund	18,371	18,371
Pearl Leone Hecht Fund	186	186
Philip A. Arthur Memorial Fund	576	576
Scott Fdn Grant 2010	18,332	14,832
Smoot Bequest Income Fund	(76,078)	(76,078)
Smoot Bequest to Dio Fund	55,592	55,592
SM Scholarship Fund	4,710	-
South African Bishops Fund	9,699	9,699
ST Investments - Restricted	299,288	290,140
St. John's Waldrop Fund	33,176	33,176
St. John's Greensprings Fund	7,168	9,991
UTO Fund	187	187
Subtotal	2,728,057	2,627,539
Funds invested with the Trustees of the Funds	22,667,100	21,439,780
Beneficial interest in trusts	247,220	232,459
Total Other Funds	\$ 25,642,377	\$ 24,299,778