

**CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION
DECEMBER 31, 2006**

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
 OF THE UNITED METHODIST CHURCH
 December 31, 2006

TABLE OF CONTENTS

1	Independent Auditors' Report	
3	Statement of Financial Position	
4	Statement of Support and Revenues, Expenses and Other Changes in Net Assets	
7	Statement of Cash Flows	
8	Notes to Financial Statements	
SUPPLEMENTAL INFORMATION		
16	Net Assets Analysis - Schedule 1 The Los Angeles Episcopal Area:	
19	Statement of Financial Position - Schedule 2	
20	Statement of Revenues, Expenses, and Changes in Net Assets - Schedule 3	
21	Statement of Cash Flows - Schedule 4	

PAGE

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June 7, 2007

The Council on Finance and Administration
of the United Methodist Church
California-Pacific Annual Conference

Independent Auditors' Report

We have audited the statement of financial position of the California-Pacific Annual Conference of the United Methodist Church (the Conference) as of December 31, 2006, and the related statement of support and revenues, expenses and other changes in net assets, and the related statement of cash flows for the year then ended. These financial statements are the responsibility of the Conference management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of the Conference at December 31, 2006, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedules listed as supplemental information in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Conference. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Moreland & Associates, Inc.

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH

Statement of Financial Position
December 31, 2006

Assets	Operating Funds	Fixed Assets Funds	Endowment Fund	Eliminations	Total
Cash (Note 2)	\$ 1,964,284				\$ 1,964,284
Receivables:					
Notes due from member churches, net (Note 3)	3,970,452				3,970,452
Due from other funds	168,533			\$ (168,533)	
Due from related parties (Note 6)	715,515				715,515
Conference apportionment, quota and special revenues receivable	1,147,858				1,147,858
Interest receivable	127,429				127,429
Contribution from remainder trusts (Note 3)	9,218,306				9,218,306
Other receivables	995,084				995,084
Receivables, Net	16,343,178			(168,533)	16,174,645
Prepaid expenses	425,202				425,202
Investments (Note 2)	4,094,406				4,094,406
Investments held by the Foundation (Note 2 and 6)	7,465,860		\$ 4,874,589		12,340,449
Certificates of participation (Note 4)	700,000				700,000
Real property held for development	350,000				350,000
Property and equipment, net (Note 5)	\$ 3,243,670				3,243,670
Total Assets	\$ 31,342,930	\$ 3,243,670	\$ 4,874,589	\$ (168,533)	\$ 39,292,656
Liabilities and Net Assets					
Liabilities:					
Accounts and distributions payable \$ 1,549,080					\$ 1,549,080
Notes payable (Note 7)		\$ 672,706			672,706
Due to other funds	449,728	168,533		\$ (168,533)	449,728
Other liabilities					
Total Liabilities	1,998,808	841,239		(168,533)	2,671,514
Net Assets:					
Unrestricted	7,685,780	2,402,431			10,088,211
Temporarily restricted:					
Loans	11,959,148				11,959,148
Primarily time restriction	9,699,194				9,699,194
Pension benefits		\$ 1,918,571			1,918,571
Permanently restricted		2,956,018			2,956,018
Total Net Assets	29,344,122	2,402,431	4,874,589		36,621,142
Total Liabilities and Net Assets	\$ 31,342,930	\$ 3,243,670	\$ 4,874,589	\$ (168,533)	\$ 39,292,656

See Accompanying Notes to Financial Statements.

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH

Statement of Support and Revenues,
Expenses and Other Changes in Net Assets
Year Ended December 31, 2006

				Changes in Unrestricted Net Assets:			
				Support, revenues and other income:			
				Conference apportionment income:			
				World Service and			
				Conference benevolences			
				Ministerial support			
				Administration			
				Other special benevolences			
				Conference-designated and other			
				advance special contributions:			
				Quota, special day			
				and advance income			
				Other special income and			
				distributions, net			
				General Council on			
				Finance and Administration			
				Other income:			
				Health/liability insurance			
				premium income			
				Camp operations			
				Interest and dividends			
				Change in investment			
				held by the Foundation			
				Other			
				Total Support, Revenues			
				and Other Income			
				Net Assets Released from			
				Temporary Restriction			
				Expenses:			
				Distribution to the General Council on			
				Finance and Administration			
				Other distributions			
				Other expenses:			
				Other designated distributions			
				Distributions to the General			
				Board of Pensions (Note 8)			
				Health/liability insurance			
				premium expense			
				Group hospital and other pension-			
				related distributions and expenses			
Operating	Fixed Assets	Endowment	Total	Operating	Fixed Assets	Endowment	Total
\$ 4,138,380	\$ 212,042		\$ 4,350,422	4,032,894		4,032,894	4,032,894
1,479,919			1,479,919	690,196			690,196
1,167,047			1,167,047	1,167,047			1,167,047
1,144,773			1,144,773	1,144,773			1,144,773
105,665			105,665	105,665			105,665
7,703,925			7,703,925	7,703,925			7,703,925
2,539,944			2,539,944	2,539,944			2,539,944
253,018			253,018	253,018			253,018
544,056			544,056	544,056			544,056
659,083	671,506		1,330,589	659,083	671,506		1,330,589
24,458,900	883,548		25,342,448	24,458,900	883,548		25,342,448
269,688			269,688	269,688			269,688
2,980,246			2,980,246	2,980,246			2,980,246
389,181			389,181	389,181			389,181
624,884			624,884	624,884			624,884
961,249			961,249	961,249			961,249
7,626,627			7,626,627	7,626,627			7,626,627
248,443			248,443	248,443			248,443

(Continued)

See Accompanying Notes to Financial Statements.

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
Statement of Support and Revenues,
Expenses and Other Changes in Net Assets (Continued)
Year Ended December 31, 2006

	Operating Funds	Fixed Assets Funds	Endowment Fund	Total
Camp operations	3,355,095			3,355,095
General and administrative	8,739,929	313,891		8,739,929
Depreciation	38,205			38,205
Grant expense		208,011		208,011
Capital expenditures		208,011		208,011
Total Expenses	24,963,859	521,902		25,485,761
Interfund transfers in (out)	506,827	(506,827)		
Increase (Decrease) in Unrestricted Net Assets	271,556	(145,181)		126,375
Changes in Temporarily Restricted Net Assets:				
Other income (expenses):				
Interest and dividends	530,676			530,676
Remainder trust contributions	255,782			255,782
Increase in value of remainder trusts	737,840			737,840
Change in investment held by the Foundation			\$ 490,747	490,747
From investment activities	176,363		(85,547)	90,816
Other				90,816
Total Apportionment Income and Other Income	1,700,661		405,200	2,105,861
Net Assets Released from Temporary Restriction	(269,688)			(269,688)
Increase in Temporarily Restricted Net Assets	1,430,973		405,200	1,836,173
Increase (Decrease) in Net Assets	1,702,529	(145,181)	405,200	1,962,548
Net Assets at Beginning of Year	27,641,593	2,547,612	4,469,389	34,658,594
Net Assets at End of Year	\$ 29,344,122	\$ 2,402,431	\$ 4,874,589	\$ 36,621,142

See Accompanying Notes to Financial Statements.

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH

Statement of Cash Flows
Year Ended December 31, 2006

	Fixed Assets	Funds	Operating Funds	Total
Cash Flows from Operating Activities:				
Increase (decrease) in net assets			\$ 1,702,529	\$ 1,962,548
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:				
(Increase) in investments held by the Foundation			(1,581,322)	(1,986,522)
Depreciation		313,891		313,891
Proceeds of land and building improvements		(681,464)		(681,464)
(Increase) decrease:				
Receivables, net			(696,663)	(696,663)
Due from related parties			(88,574)	(88,574)
Increase (decrease):				
Accounts and distributions payable			59,339	59,339
Other liabilities			50,608	50,608
Total Adjustments			(2,256,612)	(3,029,385)
Net Cash Provided by (Used) for Operating Activities			(554,083)	(1,066,837)
Cash Flows from Investing Activities:				
Net deposits (withdrawals) - money market account			77,124	77,124
Purchase of property and equipment			(102,525)	(102,525)
Interest and dividends			782,545	782,545
Proceeds of land and building improvements			681,464	681,464
Net Cash Provided by (Used) for Investing Activities			859,669	1,438,608
Cash Flows from Financing Activities:				
Payments on notes payable			(44,378)	(44,378)
Payments on short term borrowings			(190,340)	(190,340)
Interfund borrowings/transfers			168,533	168,533
Net Cash Provided by (Used) for Financing Activities			(21,807)	(44,378)
Increase (Decrease) in Cash			327,393	327,393
Cash Balance at Beginning of Year			1,636,891	1,636,891
Cash Balance at End of Year			\$ 1,964,284	\$ 1,964,284

See Accompanying Notes to Financial Statements.

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
Notes to Financial Statements
December 31, 2006

1. Summary of Significant Accounting Policies

Basis of Presentation/Accounting

The financial statements of the California-Pacific Annual Conference of The United Methodist Church (Conference) include the accounts of funds that provide programs and support services to, and on behalf of, the member churches of the Conference. These programs and supporting services are considered Conference activities by the "Book of Discipline." The financial statements have been prepared on the accrual basis.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Conference is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Fund Groupings

To ensure observance of limitations and restrictions placed on the use of resources available to the Conference, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been grouped. Accordingly, all financial transactions have been recorded and reported by fund group.

The assets, liabilities and net assets of the Conference are reported in self-balancing fund groups as follows:

- Operating Funds, which are available for the various Conference programs and support services, including unrestricted and Board-designated amounts. For financial statement purposes interfund balances comprising \$3,533,304 of receivables/payables have been eliminated.

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
Notes to Financial Statements (Continued)
December 31, 2006

- Fixed Assets Funds, which include land, buildings, furniture and equipment that are acquired or constructed.
- Endowment Funds, which are restricted for specific conference programs and support.

Cash and Cash Equivalents

The Conference maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Conference has not experienced any losses in such accounts. The Conference believes it is not exposed to any significant credit risk on cash.

For purposes of the statements of cash flows, the Conference considers cash and all highly liquid investments with original maturities of three months or less from when purchased as cash and cash equivalents. This includes the money market fund which is also considered a cash equivalent.

Investments

Investments are stated at fair value (the value at which financial instruments could be exchanged in a current transaction between willing parties, other than in a forced liquidation sale.)

Property and Equipment

Property and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets which range from three to forty years.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions.

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
Notes to Financial Statements (Continued)
December 31, 2006

Income Taxes

The Conference is a California nonprofit, tax-exempt organization under the provisions of Section 501(c)(3) of the Internal Revenue Code and the corresponding provisions of the California Revenue and Taxation Code. Accordingly, no provision for income taxes is required.

2. Cash and Investments

Cash in the Operating Fund of \$1,964,284 is composed primarily of interest-bearing bank deposits utilizing pooled cash of all funds. In addition to the money market fund, investments in the Operating and Endowment Funds are held by the California-Pacific United Methodist Foundation. Total cash and investments of the Conference are summarized as follows:

	December 31, 2006
Carrying Amount	<u> </u>
Cash and Cash Equivalents:	
Cash and demand deposits	\$ 1,964,284
Money market fund	<u>1,294,406</u>
Total Cash and Cash Equivalents	3,258,690
Investments:	
Asset backed securities	2,800,000
Investments held by the Foundation	<u>12,340,449</u>
Total Investments	15,140,449
Total Cash and Investments	<u>\$18,399,139</u>

The cash and demand deposit accounts are maintained in bank accounts which are fully insured up to \$100,000 by federal depository insurance. At various times during the year and at December 31, 2006, bank balances exceeded the amount of insurance.

3. Receivables

Notes due from Member Churches

The notes due from member churches are generally collateralized by trust deeds on real property and bear interest at rates ranging from 2% to 7.5%. At December 31, 2006, the allowance for uncollectible notes is \$103,246.

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
Notes to Financial Statements (Continued)
December 31, 2006

Contribution from Remainder Trusts

The Conference is a beneficiary of certain estates. The corpus of the estates will not be received until certain time restrictions have been met. A receivable has been recorded for the Conference's proportionate share of the fair value of the corpus.

4. Certificates of Participation

At December 31, 2006, the Conference has an investment in certificates of participation of the United Methodist Development Fund (UMDF). The UMDF is an incorporated, nonprofit organization related to the National Division of the Board of Global Ministries of The United Methodist Church. Certificates of participation in the amount of \$700,000 provide for a rate of interest equal to the rate UMDF pays on its Flexible Investment Notes. The interest rate at December 31, 2006 was 5%. Although certificates are normally repaid upon demand, the UMDF has the option of requiring six months prior written notice and may repay the certificates over a five-year period. The UMDF may redeem the certificates at a 2-1/2% premium by giving six months prior written notice.

5. Property and Equipment

Property and equipment at December 31, 2006 consist of the following:

	Land	\$ 1,166,262		
	Buildings	7,914,201		
	Furniture and fixtures	1,393,265		
		10,473,728		
	Less accumulated depreciation	(7,230,058)		
		\$ 3,243,670		

6. Related Party Transactions

At December 31, 2006, related party receivables consist primarily of amounts due from the General Level Agencies of the United Methodist Church and the California-Pacific United Methodist Foundation (the Foundation).

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
Notes to Financial Statements (Continued)
December 31, 2006

Related party transactions with the General Level Agencies of The United Methodist Church consist of apportionment distributions and maintenance of various deposit accounts administered by the General Board of Pensions.

Due from related parties at December 31, 2006 consists of the following:

	Operating
	Fund
	Pension
	Funds
	\$ 715,515
General Board of Pensions	

During 2006, the Conference had deposited with the Foundation, funds in an investment pool maintained by outside investment advisers, under the investment guidelines of the Foundation. The Conference has \$12,340,449 deposited with the Foundation for the pooling of investments at December 31, 2006.

Endowment Funds held by the Foundation:

Conference Endowment Fund - Contributions received are not distributed. Net revenues derived from dividends and interest earned on investments are paid to the Board of Pensions and eventually distributed to those qualified to receive pension distributions. At December 31, 2006, accumulated capital amounted to \$2,815,058. The market value of the fund at December 31, 2006 was \$4,387,624.

Hough Endowment Fund - Contributions received from the donor are designated as not being available for distribution. The net income earned on investments is used by the Board of Pensions, to aid and assist in necessitous cases, the retired ministers and widows and children of deceased ministers of the Conference. At December 31, 2006, accumulated capital amounted to \$85,201. The market value of the fund at December 31, 2006 was \$407,375.

Mrs. D. A. Crowell Memorial Fund - Contributions received from the donor are designated as not being available for distribution. The net revenues earned on investments are used to aid and assist in necessitous cases, the widows of deceased ministers of the Conference. At December 31, 2006, accumulated capital amounted to \$55,759. The market value of the fund at December 31, 2006 was \$79,590.

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
Notes to Financial Statements (Continued)
December 31, 2006

7. Notes Payable

Notes payable to bank with variable interest rates and variable monthly principal and interest payments. Interest on unpaid principal shall accrue at a rate equal to the LIBOR rate plus 2.10% per year. The LIBOR rate at December 31, 2006 was 5.3139%. Principal payments totaled \$44,378 and interest payments totaled \$49,858 for the year ended December 31, 2006. The remaining principal and interest due are secured by the building.

The annual requirements to amortize the note payable outstanding for each of the next five years and in aggregate:

Year Ending December 31	Total Principal ⁽¹⁾
2007	\$ 48,576
2008	52,699
2009	57,491
2010	62,551
2011	68,058
2012-2016	383,331
	<u>\$ 672,706</u>
Amount	

(1) Interest not included due to rate being variable.

8. Pension Plans

As discussed below, at December 31, 2006, there are two pension plans in existence for the ministers of the Conference.

Since January 1, 1982, ministers of the Conference have been covered by the Ministerial Pension Plan (MPP), which is administered by the General Board of Pensions of the United Methodist Church. This plan, a multi-employer defined contribution plan, was adopted by the 1980 General Conference of The United Methodist Church and replaced the Ministers' Reserve Pension Fund (MRPF), a multi-employer defined benefit plan.

In connection with the MRPF, pension expense represents payment for prior service as determined by the consulting actuaries of the General Board of Pensions based on an actuarial valuation as of December 31, 2006. Pension expense for the year ended December 31, 2006 was \$0. Information from the General Board of Pensions is not presently available to disclose the Conference's share of accumulated plan benefits, net assets available, or the unfunded liability at December 31, 2006.

Since January 1, 1982, under the MPP, individual churches remit 12.0% of each minister's salary directly to the General Board of Pensions up to the denominational average compensation. These remittances are placed in the respective minister's pension account. The Conference submits 4.4% of the same contribution base as above which is placed in a pooled account to provide disability and death benefits plus a pension buildup for ministers who are below the denominational average compensation, in order that all ministers receive a pension contribution equal to 12.0% of the denominational average compensation. In 2006, the Conference contributed \$961,249 to the above pension plans.

All lay employees of the Conference can join the United Methodist Personal Investment Plan, a defined contribution plan. The Conference's contribution requirement under this plan is 9% of the applicable employees' compensation.

The Conference Board of Pensions also administers a group health insurance plan available to member clergy and Conference employees and their families. As reflected in the accompanying financial statements, the Conference Board of Pensions receives premium payments from these parties and then submits payment to the applicable insurance agency. The Conference also administers a general liability insurance plan for member churches through the Conference Board of Trustees.

9. Post-Employment Health Care Benefits

In addition to providing pension benefits, the Conference administrators and provides health care benefits to all clergy retirees, surviving clergy spouses, and retired lay employees. The Conference contributes the cost of monthly health insurance coverage. The cost of retiree health care benefits is recognized as an expense as premiums are paid. For 2006 the cost of this benefit was \$775,049.

In September 2006, the FASB issued SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans". This statement requires an employer on a prospective basis to recognize the overfunded or underfunded status of its defined benefit pension and postretirement plans in its statement of financial position. In addition, an employer is required to recognize changes in the funded status of a defined benefit postretirement plan in the year in which the changes occur. These requirements are effective for fiscal years ending after June 15, 2007.

SFAS No. 158 also requires an employer on a prospective basis to measure its plan's assets and obligations that determined its funded status as of the end of the employer's fiscal year. This requirement is effective for fiscal years ending after December 15, 2008.

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
Notes to Financial Statements (Continued)
December 31, 2006

10. Line of Credit

The Conference has an agreement with a bank for a line of credit with a maximum of \$1,000,000 and an interest rate of one-half percent over the bank's reference rate. As of December 31, 2006 the line of credit is unused.

11. Contingencies

The Conference is subject to various legal proceedings and claims which involve private parties. In the opinion of the Conference management and its counsel it is improbable that the outcome of such litigation will be materially adverse to the Conference.

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
Net Assets Analysis
Year Ended December 31, 2006

Schedule 1

Fund No.	Fund Name	Dec. 31, 2005 Net Assets (Deficit)	Net Change	Dec. 31, 2006 Net Assets (Deficit)
Unrestricted Net Assets:				
Operating Funds				
10	Apportioned and Other Funds	\$ -	\$ -	\$ -
16	Contingency Fund	1,274,418	(213,708)	1,060,710
17	Council on Finance and Administration	12,753	(25,259)	(12,506)
18	Administrative Services	(22,967)	51,602	28,635
19	Designated Funds	883,763	217,805	1,101,568
20	Connectional Ministries	38,003	464,755	502,758
21	Pacific Islanders Commission	7,650	(33,502)	(25,852)
22	Jubilee Fund	7,004,617	151,620	7,156,237
23	Shalom Zone Reinvestment	(36,073)		(36,073)
24	EMLC Crisis Fund	12,333	(2,304)	10,029
25	Cooperative Advertising Fund	38,338	7,627	45,965
26	Pacific Islanders/Somoan Fund	(31,990)	22,791	(9,199)
27	Native American Awareness Fund	20,189	5,794	25,983
30	Golden Cross Fund	7,260	1,068	8,328
32	Commission on Religion and Race	37,837	13,616	51,453
33	Commission on Status and Role of Women	2,752	2,597	5,349
34	Commission on Church Extension in Mexico	27,976	(9,453)	18,523

(Continued)

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH

Net Assets Analysis (Continued)
Year Ended December 31, 2006

Schedule 1

Fund No.	Fund Name	Dec. 31, 2005 Net Assets (Deficit)	Net Change	Dec. 31, 2006 Net Assets (Deficit)
39	Mission Possible	(3,008)	-	(3,008)
44	Clergy Salary Support Fund	97,146	44,871	142,017
46	Moving Expense Fund	(22,463)	34,527	12,064
50	District Superintendents' Fund	(142,523)	19,336	(123,187)
54	Board of Trustees	(7,573)	8,823	1,250
56	Episcopal Residence Fund	11,199	(4,571)	6,629
57	Sustentation Fund	(18,356)	6,001	(12,355)
61	MPP and CPP Benefits	(112,832)	(13,053)	(125,885)
71	Bishop's Special Fund	28,224	(14,673)	13,551
72	Area Headquarters and Fund Development	(141,722)	(30,302)	(172,023)
76	Board of Ordained Ministry	112,396	(34,797)	77,599
78	Annual Conference Sessions Fund	(27,637)	3,582	(24,055)
79	Conference Secretary and Journal Fund	11,128	8,863	19,991
<u>Camp Funds</u>				
84	Camp Operations	(2,322,803)	(471,236)	(2,794,039)
85	Camp Operations	28,641	(59,257)	(30,616)
86	Camp Operations	103,295	58,055	161,350
<u>Los Angeles Episcopal Fund</u>				
73	Los Angeles Episcopal Area (GCFA)	-	-	-

(Continued)

CALIFORNIA-PACIFIC ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
Net Assets Analysis (Continued)
Year Ended December 31, 2006

Schedule 1

Fund No.	Fund Name	Dec. 31, 2005 Net Assets (Deficit)	Net Change	Dec. 31, 2006 Net Assets (Deficit)
Certain Other Funds				
48	Latin American Properties Trust Fund	14,000	-	14,000
53	Trustee Insurance Fund	530,253	60,336	590,589
55	Board of Trustees Campus Ministries Properties	-	-	-
Total Unrestricted Operating Funds				
		7,414,224	271,556	7,685,780
Fixed Assets Funds				
88	Fixed Assets	2,547,612	(145,181)	2,402,431
Total Unrestricted Net Assets				
		\$ 9,961,836	\$ 126,375	\$ 10,088,211
Temporarily Restricted Net Assets for Loans:				
Loan Fund				
45	Congregational Loan Fund	\$ 11,445,095	\$ 514,054	\$ 11,959,148
Temporarily Restricted Net Assets (Primarily Time Restriction):				
Pension Funds				
40	Board of Pensions	272,182	283,487	555,669
40	Remainder Trusts	8,480,466	737,840	9,218,306
40	Endowment Funds	1,513,371	405,200	1,918,571
41	Board of Pensions-			
	Health Insurance Fund	29,626	(104,407)	(74,781)
Total Temporarily Restricted Net Assets				
		10,295,645	1,322,120	11,617,765
(primarily time restriction)				
Total Temporarily Restricted Net Assets				
		\$ 21,740,740	\$ 1,836,174	\$ 23,576,913
Endowment Funds				
40	Endowment Funds	\$ 2,956,018	\$ -	\$ 2,956,018