



## Annual Treasurer's Report January 2026

Dear Quest Family,

It has truly been an honor to serve as the Elder Board treasurer this year. 2025 has been a year of significant transition and growth for our church family. We celebrated the transition of our previous Lead Pastor, Pastor Gail, and welcomed Pastor Aaron as our new Lead Pastor. This shift has brought renewed energy, vision, and leadership to our community.

Financially, it hasn't always been easy, but we have seen God's provision in a timely and faithful manner. Creative initiatives like All In, All Together encouraged the congregation to take a faithful step in giving, increasing our average monthly giving from approximately \$84,000 to \$132,000, representing a 57% increase. Thanks be to God for this provision. We will share more at the Annual Meeting about the All In, All Together Initiative.

The report attached provides an overview of our 2025 finances and the Elder Board's proposal for the 2026 budget. The proposed budget was developed with input from staff and elders and will be voted for approval at our Annual Meeting. We are committed to transparency and to creating space for thoughtful feedback as we move forward together.

There is no denying that 2025 brought financial challenges, but it was also a year in which we clearly saw God at work in and through our community. I am continually reminded that God is the great provider; and often, the method of God's provision is through us, the people of God. Thank you, Questers, for showing up again and again, and for your generous gifts of time, talents, and resources.

With love in Christ,

**Cesar Arvizo, Church Treasurer**

*(on behalf of the Quest Elder Board)*

## 2025 Income & Expenses Notes

Appendix A in this report shows the Budget vs. Actuals for Income & Expenses in 2025.

**Line of Credit Update-** During the first half of 2025, the Line of Credit carried a growing monthly interest expense that placed increasing strain on operating cash. **We made the decision to close the Line of Credit in July.** This line of credit has served us well for the past few years through major building repairs, and for that we are grateful.

**Monthly Expenses** - Estimated monthly operating expenses generally ranged between **\$94,000 and \$100,000**, which was lower than anticipated month to month, due to staffing shifts and operational expense cuts made mid-year.

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## 2025 Account Balance & Operating Reserves

See Appendix B: 2025 Cash Balance Sheet and Appendix C: Designated funds balances

The combination of fluctuating income and higher-than-anticipated operational and facilities expenses in 2023 and 2024 placed Quest in a financially constrained position for much of 2025, particularly with respect to our operating reserve.

For most of 2025, Quest **operated with less than one month of operating expenses in available cash reserves**. While this allowed the church to meet monthly financial obligations, it left very little margin for timing differences between income and expenses.

As we move forward, the priorities outlined in the upcoming budget proposal—**controlling expenses, rebuilding operating reserves, and maintaining disciplined financial stewardship**—remain more important than ever. Reestablishing a healthy reserve balance will provide stability, improve cash flow management, and allow the church to respond more effectively to future needs and opportunities.

A note on Appendix C: Designated Fund Balances – In light of our fundraising efforts through the All In, All Together Initiative in 2025 for church general funds, we experienced a decrease in annual giving to the Bridge Fund, even while the fund does show moderate growth in 2025.

## Looking Forward to 2026

The proposed 2026 operating budget for Quest Church can be found in Appendix D.

This budget reflects careful discernment, realistic projections, and a continued commitment to financial stewardship in a season of transition, but full of hope.

## Budget Process

The 2026 budget was developed through a collaborative process involving staff leadership and the Elder Board. Throughout the year, income and expense trends were reviewed regularly, with attention given to actual giving patterns, staffing capacity, facilities needs, and long-term sustainability. Budget projections were refined through ongoing financial reporting, conversations around expense reduction, and prayerful discernment about how best to steward the resources entrusted to Quest Church. This proposed budget reflects those learnings and is offered transparently for congregational review.

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## Income

**The projected income for 2026 is \$1,300,000.** The majority of Quest Church's income comes through offerings and regular giving from members and attendees, with a very small portion coming from miscellaneous income such as interest or building rentals and . Our current giving goal reflects a conservative and realistic assessment based on recent giving trends and in review of past 5 years of giving trends. While we continue to hope for growth, this target represents what we believe our current community can faithfully sustain.

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## Expenses

The **total projected expenses for 2026 are \$1,295,424**, resulting in a modest projected surplus of **\$4,576**. This margin is intentional and reflects a disciplined approach focused on sustainability rather than expansion.

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## Ministry & Operations Overview

- **Payroll, Benefits, and Employer Taxes:** \$834,982 (64.46%)
- **Operations:** \$271,100 (20.93%)
- **Ministry Expenses:** \$81,842 (6.32%)
- **Savings & Building:** \$82,500 (6.37%)
- **Ministry Partners:** \$25,000 (1.93%)

This distribution reflects a people-centered ministry model while intentionally reinvesting in savings and facilities after several financially constrained years.

## Savings Line Item

One important feature of the 2026 budget is the intentional inclusion of a **Savings line item totaling \$62,500**, approximately **5% of the total operating budget**. Establishing a consistent practice of saving is essential for rebuilding operating reserves, addressing rising operational

costs, and strengthening long-term financial health. This discipline will be critical not only in 2026, but in future budget cycles as well.

An additional **\$20,000 is allocated for Building Emergency reserves**, recognizing the ongoing realities of maintaining an aging facility.

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## Staffing and Compensation

Quest Church's investment in staff reflects our commitment to both internal ministry and our wider community impact. Staffing costs remain the largest portion of the budget, and this proposal reflects careful adjustments to hours and roles to align with current capacity and financial realities.

Key staffing considerations for 2026 include:

- **Pastoral retirement contributions (which had been cut in 2024) restored at 8%**, reaffirming our commitment to long-term staff care. Part of this re-commitment is the new establishment of staff 401(k) retirement plans that allow employee contributions. Additionally, discussion regarding potential church contributions to staff retirement plans will be incorporated into future strategic financial planning and long-term financial goals.
- Staffing pay levels and hours largely reflect those currently in place in 2025, rather than expansion.

Salary and benefit costs are grouped by ministry area in the narrative budget (see below) to help tell the story of how time, talent, and leadership are stewarded across the church. Listed compensation reflects **full-time equivalent salaries (excluding benefits)** for transparency.

### 2026 Pay Levels (FT Equivalents)

- Lead Pastor: ~\$90,000
- Executive Level: Pastor / Senior Director: ~\$80,000
- Associate Pastor: ~\$75,699
- Assistant Pastor / Senior Director: ~\$68,000
- Director: ~\$63,565
- Manager: ~\$58,240
- Office Administrator: ~\$54,080

Note: These pay levels list full-time equivalent salary levels ONLY. It does not include benefits and total compensation.

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## Facilities and Building Stewardship

After prayerful consideration, open dialogue, and congregational involvement, the decision to sell the church building was brought forward and approved by the congregation. Over the past several years, increasing building maintenance and repair costs led the Elder Board and congregation into a season of careful discernment regarding how our property supports—or potentially distracts from—the mission of Quest Church.

**This decision reflects a shared commitment to steward Quest Church’s resources in ways that best support our mission and long-term sustainability.** The building sale process will continue outside of the annual budget framework. While the 2026 budget includes limited emergency building reserves to address near-term needs, the approved sale of the property represents a strategic and missional shift that will reduce ongoing operational financial burden and allow greater flexibility in future ministry planning.

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## Concluding Thoughts

We believe the 2026 budget represents faithful stewardship and a hopeful step forward. It prioritizes expense reduction, the restoration of savings practices, and the continued investment in people and ministries that embody Quest's values. Even so, this coming year will require continued care, flexibility, and generosity as we navigate a lean financial season together.

As we look ahead, we do so with confidence and gratitude. When we consider the collective vision, faithfulness, and generosity of the Quest community, we are reminded that God has consistently provided what we need. As we lean into imagination, trust, and shared responsibility, we believe God will continue to guide and sustain our church—blessing not only our community, but also our city and our world.

As we step into this next chapter, we do so with gratitude for what has carried us this far and confidence in where God is leading us next. The story of Quest Church continues to be shaped by faithful people, courageous decisions, and a shared commitment to live out the way of Jesus together. As an Elder Board, we are deeply thankful for the congregation's trust, generosity, and partnership as we steward these resources and move forward—faithful to our calling and open to what God will yet do among us.

If you have questions at any time, you are invited to reach out to the Elder Board.

With gratitude and faith,

**Cesar Arvizo, Church Treasurer**

*On behalf of the Quest Church Elder Board*

**January 2026**

## APPENDIX A

**Quest Church**  
**Budget vs. Actuals: FY2025 - FY25 P&L Classes**  
January - December 2025

	Quest Church General			
	Actual	Budget	over Budget	% of Budget
<b>Income</b>				
Donations	25,807.84		25,807.84	
Company Matches	72,154.58		72,154.58	
<b>Total Donations</b>	<b>\$ 97,962.42</b>	<b>\$ 0.00</b>	<b>\$ 97,962.42</b>	
Interest Income	10,354.86	0.00	10,354.86	
Misc. Income	2,932.80	0.00	2,932.80	
Sunday Offering	117,180.55		117,180.55	
General Offering	1,213,842.41	1,445,000.00	-231,157.59	84.00%
Giving Sundays	-1,840.18		-1,840.18	
Internal Cash Transfers	45,000.00		45,000.00	
<b>Total Sunday Offering</b>	<b>\$ 1,374,182.78</b>	<b>\$ 1,445,000.00</b>	<b>-\$ 70,817.22</b>	<b>95.10%</b>
<b>Total Income</b>	<b>\$ 1,485,432.86</b>	<b>\$ 1,445,000.00</b>	<b>\$ 40,432.86</b>	<b>102.80%</b>
<b>Gross Profit</b>	<b>\$ 1,485,432.86</b>	<b>\$ 1,445,000.00</b>	<b>\$ 40,432.86</b>	<b>102.80%</b>
<b>Expenses</b>				
Interest Expense (LOC)	15,983.12	0.00	15,983.12	
Quest Ministry Expenses	0.00		0.00	
Total Family Ministry	\$ 134,981.02	\$ 137,721.00	-\$ 2,739.98	98.01%
Total Values	\$ 210,213.44	\$ 239,940.00	-\$ 29,726.56	87.61%
Total Vision & General Operations	\$ 795,993.35	\$ 797,360.00	-\$ 1,366.65	99.83%
Total Worship, Arts, Technology	\$ 143,549.00	\$ 144,558.00	-\$ 1,009.00	99.30%
<b>Total Quest Ministry Expenses</b>	<b>\$ 1,284,736.81</b>	<b>\$ 1,319,579.00</b>	<b>-\$ 34,842.19</b>	<b>97.36%</b>
Stripe fees	10,237.87	0.00	10,237.87	
<b>Total Expenses</b>	<b>\$ 1,310,957.80</b>	<b>\$ 1,319,579.00</b>	<b>-\$ 8,621.20</b>	<b>99.35%</b>
<b>Net Operating Income</b>	<b>\$ 174,475.06</b>	<b>\$ 125,421.00</b>	<b>\$ 49,054.06</b>	<b>139.11%</b>
<b>Other Expenses</b>				
Other Miscellaneous Expense	35,469.39		35,469.39	
<b>Total Other Expenses</b>	<b>\$ 35,469.39</b>		<b>\$ 35,469.39</b>	
<b>Net Other Income</b>	<b>-\$ 35,469.39</b>	<b>\$ 0.00</b>	<b>-\$ 35,469.39</b>	
<b>Net Income</b>	<b>\$ 139,005.67</b>	<b>\$ 125,421.00</b>	<b>\$ 13,584.67</b>	<b>110.83%</b>

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## Statement of Financial Position

Quest Church  
As of December 31, 2025

Distribution account	Total
<b>Assets</b>	
Current Assets	
Bank Accounts	
Expense Clearing Account (Rippling Spend Mngmt)	0.00
Umpqua Checking 8361	238,997.74
Umpqua Money Market 8387	57,294.01
<b>Total for Bank Accounts</b>	<b>\$296,291.75</b>
Accounts Receivable	\$0.00
Other Current Assets	
CD 7062 - 3	0.00
<b>Total for Other Current Assets</b>	<b>\$0.00</b>
<b>Total for Current Assets</b>	<b>\$296,291.75</b>
Fixed Assets	
Quest Ballard	8,531,162.91
<b>Total for Fixed Assets</b>	<b>\$8,531,162.91</b>
<b>Total for Assets</b>	<b>\$8,827,454.66</b>
<b>Liabilities and Equity</b>	
Liabilities	-\$57,804.17
Equity	\$8,885,258.83
<b>Total for Liabilities and Equity</b>	<b>\$8,827,454.66</b>



## Quest Church Designated Funds

<b>Restricted Funds</b>	<b>Balance as of 12/31/2024</b>	<b>Balance as of 12/31/2025</b>
Benevolence	\$8,944.64	\$11,016.72
The Bridge	\$191,507.52	\$183,616.99
<b>Total</b>	<b>\$200,452.16</b>	<b>\$194,633.71</b>

## QUEST CHURCH 2026 Operating Budget

<b>Total Income Projection</b>	<b>\$1,300,000</b>
<b>Congregational Giving</b> (monthly average giving goal: \$104,200)	<b>\$1,250,000</b>
<b>The Bridge Fund Transfer</b>	<b>\$50,000</b>
<b>Misc Income</b> (benevolence, interest, unexpected, etc.)	\$1,100
<b>Rentals</b> (anticipated rental of church building)	\$0

<b>Total Expense Projection</b>	<b>\$1,295,424</b>
<b>Other Expenses &amp; Fees</b> (Bank Fees, Savings, Building Emergency, Benevolence)	<b>\$93,100</b>
<b>Operating Expenses</b>	<b>\$1,202,324</b>
<b>Remainder</b>	<b>\$4,576</b>

<b>Vision &amp; General Operations</b>	<b>\$693,232</b>
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A community's vision is only as good as its operational health and commitment to transparency, accessibility, and integrity in every area of organizational life. The area of Vision and Operations establishes where we are going, and assists the execution of every ministry area as we embody our vision and commitment to our values.

<b>General Operations</b>	<b>\$260,500</b>
Building & Facilities	\$102,550
Utilities	\$60,000
Administrative	\$97,950
<b>Line Of Credit Payment &amp; Interest (LOC PAID OFF)</b>	<b>\$0</b>
<b>Events &amp; Hospitality</b> ( <i>church wide events and hosting ministry</i> )	<b>\$11,800</b>
<b>Leadership Development</b> (Pastoral Care, Staff Care, leadership training, equipping)	<b>\$8,370</b>
<b>Payroll, Benefits, and Employer Taxes</b>	<b>\$412,562</b>
Resource Administrator	
Executive Pastor	
Facilities Manager	
Lead Pastor	
Sr. Director, Finance & Human Resources	

<b>Reconciliation, Story, &amp; Values</b>	<b>\$267,043</b>
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Soul, Community, Reconciliation, Justice & Compassion, Global Presence—these are our values at Quest Church. Our values reflect the culture we're building, the impact we're having in our community and world, and the legacy we desire to leave for the next generation. In this way, our values speak back to the vision of our church: "to be disciples of Jesus who leave a multiplying impact for the flourishing of our community, our city, and our world."

<b>Community Life</b> ( <i>C-Groups &amp; Gatherings</i> )	<b>\$5,000</b>
<b>The Bridge</b> ( <i>Justice-centered community care</i> )	<b>\$5,000</b>
<b>Storytelling</b> ( <i>Communications &amp; Storytelling Platforms</i> )	<b>\$6,172</b>
<b>Formation</b> ( <i>Classes, Discipleship, Membership</i> )	<b>\$13,200</b>
<b>Ministry Partners</b>	<b>\$25,000</b>
<b>Payroll, Benefits, and Employer Taxes</b>	<b>\$212,671</b>

Associate Pastor, Teaching & Reconciliation

Sr. Director, Story & Formation  
Director, Community Life & The Bridge

<b>Worship, Creative Arts, &amp; Techonology</b>	<b>\$108,579</b>
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Worship is at the center of Quest Life. We engage the arts and use technology in ways that meaningfully reflect and magnify our expressions of love and devotion for God in a multi space.

<b>AVL &amp; Technology</b>	<b>\$8,800</b>
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<b>Worship &amp; Arts</b>	<b>\$7,500</b>
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<b>Payroll, Benefits, and Employer Taxes</b>	<b>\$92,279</b>
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Assistant Pastor, Worship & Arts

Director, Technology

Minister of Music

<b>Kids &amp; Youth</b>	<b>\$133,471</b>
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Family Ministry is a multi-ethnic, all abilities, Queer affirming, and intergenerational ministry to and with children and youth. We believe children and youth are a vital part of the diverse body, each created in God's image and designed to worship God and be valued; to have a place and presence in the church community.

<b>Kids Ministry</b>	<b>\$8,000</b>
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<b>Youth Ministry</b>	<b>\$8,000</b>
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<b>Payroll, Benefits, and Employer Taxes</b>	<b>\$117,471</b>
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Director, Kids Ministry

Director, Youth Ministry

Child Care

<b>Other Expenses &amp; Fees</b>	<b>\$93,100</b>
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<b>Bank Fees</b>	<b>\$9,600</b>
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<b>Savings</b>	<b>\$62,500</b>
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<b>Building Emergency</b>	<b>\$20,000</b>
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<b>Benevolence</b>	<b>\$1,000</b>
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