

Financial Presentation

*South Church in Andover
February 9, 2011*

2010 Highlights

- ❖ 2010 Annual Giving was \$18,312 above plan, totaling \$644,264. Annual Giving in 2009 was \$643,228
- ❖ The 2010 Annual Giving surplus was divided proportionally between Missions (\$15,630) and Building Reserve (\$2,682)
- ❖ The surplus is attributed to unpledged giving / loose offerings (\$17,554) and excess pledges (\$17,343) minus uncollected pledges (\$16,585)
- ❖ The General Fund ended 2010 with a surplus of \$27,770, which will be carried forward to buffer the 2011 budget – the vast majority of the surplus was savings in personnel costs
- ❖ Enterprise Bank loan - paid down \$19,075, balance = \$236,552
- ❖ South Church Trust Fund loan - paid down \$23,812, balance = \$476,188
- ❖ Missions supported by the Board of World Service totaled \$59,971, another \$20,292 went in support of UCC and UCC programs
- ❖ The Trust Funds market value increased by about 7% while providing \$50,008 in funding for Church Programs and Cemetery Operations

2011 Budget

South Church in Andover

Key Budget Considerations

- ❖ 2011 Annual Giving is about level with budgeted 2010 Giving
- ❖ 2011 employment costs = approximately 72% of budget
- ❖ A 2011 balanced budget was achieved by:
 - Paid the Q1 2011 insurance payment of \$10,284 in Q4 2010
 - Using the 2010 \$27,770 General Fund surplus to support the 2011 budget
- ❖ 2010 Annual Giving surplus was proportionally split between Missions and the Building Reserve
- ❖ The Board of World Service is being asked to use a portion of the 2010 Annual Giving surplus as part of its 2011 budget
- ❖ This year's Building Reserve allocation is being reduced by 50% (\$2,500), but is buffered by the 2010 Annual Giving surplus

Annual Giving Budgeted

	2010	2011
Pledges	\$603,952	\$608,116
Non-Pledge Giving	\$22,000	\$15,500
Total Annual Giving	\$625,952	\$623,616

Revenue Summary

2011 Projected Budget for Annual Giving Supported Funds

	Operations	Debt Service	Missions Giving	Building & Painting Reserve	Total
Annual Giving	\$546,995	\$39,561	\$23,600	\$13,500	\$623,656
Trust Fund Distributions *			\$5,294		\$19,044
Other (primarily rent)	\$28,400			**\$5,500	\$33,900
Total	\$589,145	\$39,561	\$28,894	\$19,000	\$676,600

*2010 actual dollar amounts, actual 2011 distributions TBD
**Put into Building Reserve

General Fund Operating Expenses

	2010 Budget	2010 Actual	2011 Budget
Ministry Staff	\$319,653	\$305,284	\$343,247
Ministry Programs	\$18,750	\$16,917	\$29,750
Administration	\$81,641	\$74,619	\$84,989
Facilities	\$140,793	\$137,142	\$131,885
Total Operations	\$560,837	\$533,962	\$589,871
Debt Service	\$36,259	\$31,700	\$27,003

Future Budget Considerations

- ❖ Going forward we can't count on a General Fund surplus or excess Annual Giving, particularly as the 2010 General Fund surplus consists of \$17,500 in personnel savings
- ❖ The 2010 excess Annual Giving was unanticipated
- ❖ Without either the above surplus or excess we would need to further reduce spending
- ❖ Grow membership
- ❖ Increase annual pledges
- ❖ Capital campaign to reduce / eliminate the construction loans

Suggested Resolutions

Resolve to accept the Annual Budget as presented in the Annual Report including the following mechanism:

- ❖ Going forward, any shortfall / excess in Annual Giving will be allocated proportionally to Missions and Building Reserve based upon budgeted funding