

## FINANCE COMMITTEE REPORT TO THE CHURCH COUNCIL

7/10/2013

We have found an auditor for 2012. Kathy Kiefer began working on the audit the beginning of June and hopes to deliver her report to the Finance Committee at its August meeting.

The Finance Committee and Trustees continue to work on renegotiating various vendor contracts. As of May 1st, we have a 8% reduction in our monthly fee with Buck Services (janitorial). For the next 18 months we will be paying less than we did in 2002 with no reduction in services. Thanks to Rich Kaffka and Jim McCloud for the good work.

I'm happy to say that as of last week, we have a new (used) computer in the church office for our accounting program. The old computer was giving us some severe signs that it was about to give up the ghost. There is a bit more work to be done with regard to getting programs reinstalled but the important thing is that I can pay payroll and bills. Thanks to Ron VanBuskirk, Dean Craig, and Suzanne Wills for their efforts.

An Ad Hoc group was formed by the Finance Committee to study our handling of the Bridge Fund, and when and how it should be disbursed. In May, the group gave us their report and we were relieved that our handling of the Funds was in compliance with the NIC. The Naper Bridge recently attained its Not For Profit Status with the IRS and we distributed the remainder of the Bridge Fund to that entity. This transaction was done in June so will show up on the June financial statements.

A simplified statement of cash receipts and cash disbursements for January - May, 2013 is included in this packet. A full set of the May financial statements is available by request.

Highlights of Year-to-Date Results as of May 31, 2013:

- Cash receipts for the five months were \$323,578, which is \$12,455 under budget. Note that pledged receipts are running \$11,444 behind budget.
- Total expenses (without apportionment) for the five months are \$263,930, which is \$8,444 over budget.
- Budgeted apportionment for the five months is \$52,120, of which we have paid \$19,168 (2 months based on the new apportionment amount).
- Salaries and benefits are over budget by \$3,963.
- Trustee expenses are over budget by \$4,740 due to cold weather and snow. The budget is based on 1/12 of the annual total, so hoping we can make up for this during the temperate months.
- At 5/31/13 operating cash was \$7,385. No apportionment was paid in May due to concern regarding the reliability of summer giving.
- Temporarily restricted funds had cash receipts of \$38,314 for the five months and had cash disbursed of \$74,746 for the same period.

Community United Methodist Church  
 Statement of Revenue, Expenses, and  
 Other Changes in Net Assets - Modified Cash Basis  
 May 30, 2013 and 2012  
 with 2013 Budget Comparison

|                          | 5/31/2013<br>Actual | 5/31/2012<br>Actual | 5/31/2013<br>Budget | Variance of<br>2013 to Budget | Variance of<br>2013 to 2012 | Comments  |
|--------------------------|---------------------|---------------------|---------------------|-------------------------------|-----------------------------|---|
| Revenues                 |                     |                     |                     |                               |                             |   |
| Pledged                  | \$ 262,846          | \$ 222,665          | \$ 274,290          | (11,444)                      | 40,181                      | The downward trend continues. A concern.  |
| Top Off                  | -                   | -                   | -                   | -                             | -                           |   |
| Other Offerings          | 38,456              | 68,262              | 43,793              | (5,337)                       | (29,806)                    | Unpledged is under by \$9,649. Loose and other are under by about \$4,500.              |
| Miscellaneous            | 22,276              | 7,711               | 17,950              | 4,326                         | 14,565                      | Good because we budgeted very low. May make up for some of the other offerings.         |
|                          | <u>323,578</u>      | <u>298,638</u>      | <u>336,033</u>      | <u>(12,455)</u>               | <u>24,940</u>               |   |
| Expenses                 |                     |                     |                     |                               |                             |   |
| Salaries and Benefits    | 174,281             | 195,044             | 170,318             | 3,963                         | (20,763)                    | Have projected that w/o any change, we will be over budget by over \$6,000 at year-end. |
| Program Expenses         | 20,196              | 15,613              | 21,884              | (1,688)                       | 4,583                       | Worship and Music are over budget by \$3,300 total.                                     |
| Trustee Expenses         | 53,447              | 56,471              | 48,707              | 4,740                         | (3,024)                     | A good month for this expense; made up some ground.                                     |
| Office and Insurance     | 11,984              | 11,654              | 10,542              | 1,442                         | 330                         | Changed insurance to monthly, so should equal out by year-end.                          |
| Mortgage Interest        | 4,022               | 5,243               | 4,035               | (13)                          | (1,221)                     | Right on!!  |
|                          | <u>263,930</u>      | <u>284,025</u>      | <u>255,486</u>      | <u>8,444</u>                  | <u>(20,095)</u>             |   |
| Net before Apportionment | <u>59,648</u>       | <u>14,613</u>       | <u>80,547</u>       | <u>(20,899)</u>               | <u>45,035</u>               |   |
| Apportionment            | <u>19,168</u>       | <u>3,727</u>        | <u>52,120</u>       | <u>(32,952)</u>               | <u>15,441</u>               | Concern about summer cash receipts, no apportionment paid in May.                       |
| Net after Apportionment  | <u>40,480</u>       | <u>10,886</u>       | <u>28,427</u>       | <u>12,053</u>                 | <u>29,594</u>               |   |

