

Finance Committee Report for Church Council Meeting – February 21, 2017

2016-Year End Overview for General Fund:

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>Pos / (Neg) BUDGET</u>
Pledges, Gifts	\$ 1,087,674	\$ 1,088,000	\$ (326)
Other Income	<u>36,058</u>	<u>\$ 26,950</u>	<u>9,108</u>
Total Income	\$ 1,123,732	\$ 1,114,950	\$ 8,782
Staff	\$ 751,195	\$ 786,345	\$ 35,150
Apportionments	106,807	109,300	2,493
Office / Property	197,152	203,800	6,648
Programs / Other	<u>24,490</u>	<u>30,500</u>	<u>6,010</u>
Total Expenses	\$ 1,079,644	\$ 1,129,945	\$ 50,301
Net Position	\$ 44,088	\$ (14,995)	\$ 59,083

Income:

For 2016, Total Income finished favorable to plan with a positive variance of \$9k.

Giving Receipts for 2016 tracked to budget though out the year. Pledge receipts came under budget \$23k, while ID Giver receipts finished \$24k favorable to budget.

The favorable variance in Other Income was attributable to facility rentals, which finished \$9k above budget.

Expense:

On the expense side, we finished the year favorable to plan. Of the \$50k positive variance, essentially all of it was in Staff related expense. As seen in the table above, Staff expense showed a positive variance of \$35k. This was primarily due to savings incurred as a result of the reassignment of Sunny Ahn mid-year offset with the hiring of Director of Youth Ministry in September.

Apportionment expense was favorable to budget \$2k for the year. However, after reconciling the account, an additional amount of \$3k will be remitted to the conference in 2017.

Office/Property expense was favorable to budget \$6k for the year. Most areas ended favorable with the exception water usage, which was \$5k unfavorable. The water expense was high for the last part of the year. Mark Miller looked into the increased billing and deemed the excess usage being related to ARC construction and new additional landscaping. January 2017 water bill was back in line with normal usage rates.

Program/Other expense was \$6k favorable to plan with most areas being favorable.

Net Position:

For the year, we were budgeted for a net deficit of (\$15k), but were able to finish the year with a net surplus of \$44k or \$59k favorable to budget. The majority of the favorable variance is due to the reassignment of the associate pastor and an increase in the rental of our facility.

Use of Surplus:

The Finance Committee reached consensus and voted to place \$40k of the surplus in the Church Council Discretionary Fund. The use of the monies will be at the direction of Church Council.