

Treasurer's Report for August 20, 2017 University Mennonite Church Business Meeting

Preliminary Year End Finance Report as of August 16, 2016

The preliminary fiscal year-end financial reports include the Balance Sheet, the Actual vs Budgeted (P&L) expense report, and the actual expenses (P&L) by class for the current fiscal year, as of August 16, 2016, 96% of the fiscal year. These reports include all income and expenses known to date for the fiscal year from September 1, 2016 through August 31, 2017. However, final year income and expenses and corrections to the assignment of expenses to categories will be completed in the next month before the annual audit review.

As of August 16, total income to date is \$267,241.78 and total expenditures to date is \$303,614.90 resulting in a net loss of \$36,373.12. However, we had budgeted to use \$34,000 from reserves primarily to cover the Anabaptist Campus Ministry (ACM) expenses. Unrestricted contributions were \$163,492.51 against a budget of \$170,000, which is 96% of budget.

The balance sheet shows \$-580.46 in checking, and \$73,869.72 in savings for total current assets of \$73,289.26 and net income of \$-36,373.12. This cash flow deficit will be covered by moving \$24,187.57 out of the ACM Reserves, and at year any remaining deficit from the Northwest Savings Bank – Other reserve funds.

The P&L report by class shows the ACM (3rd Way Collective) income and expenses separated from the general (unclassified) budget. The restricted contributions of \$65,320.13 include \$39,508.13 for the 3rd Way Collective or ACM. Third Way expenses are \$88,653.59 so we have expended \$46,942.23 from the reserves to date.

The Camp Hebron budget line includes \$1,800 which was not covered by designated gifts this past year, and a 10% advance deposit for this fall retreat.

The expenses are otherwise mostly within budget as seen on the P&L vs Budget. Banking expenses were high due to using credit cards at the 10000 Villages Sale. These banking expenses were covered by the sale proceeds.

If you have questions about this report, please let me know.

Budget process and proposed 2017-18 budget:

In March 2017, we launched an early pledge drive to test whether we could support two ministers and the 3rd Way Collective inside our church budget. We received 47 pledges, totaling \$221,800.00. So this budget is based on this anticipated income.

Because Marv Friesen is leaving after December, the budget is based on nine months of his new salary. This budget would provide funds for a new minister to start in April.

Salary recommendations follow the Mennonite Church USA salary guidelines, which provide increases between 2 and 3%. In addition, for each minister the church pays the premiums for the Corinthian Plan health insurance, contributes \$2,000 per year into their HSA to cover deductibles, and provides 10% payment into the Mennonite Retirement Trust. There is also a budget line of \$3,600 for each minister which covers expenses for travel, conferences, and continuing ed.

As decided by the congregation, funding for Camp Hebron is included in the budget, so we encourage everyone to simply make their contribution for the weekend to the church budget. This makes everyone welcome to attend without cost.

Since the Ten Thousand Villages Sale has been part of the Church for many years, the committee chair of the new non-profit organization working to open a shop in State College requested support of \$2,000 in the budget this year for their new venture, since they will hold a pop-up store sale in lieu of the usual UMC sale.

The Ghana committee asked for funds to continue another year of Tuition Scholarship support for a Mennonite student at Good News Theological College and Seminary, and funds to extend our relationship with GNTCS.

The various committees were asked to propose any changes from last year's budget. However, this budget is very similar to last year's budget. Support for Allegheny Mennonite Conference follows our commitment to give 10% to the local conference, which helps support our conference and youth ministers.

We bring this proposed budget to the business meeting for action or amendment. Please review the reports and the draft proposed budget before the meeting, and bring any questions or suggested changes to the meeting. Also, anytime during the year feel free to ask for any additional financial information.

Thank you for your continued financial support of our ministries!

Jim Rosenberger
UMC, Treasurer
August 18, 2017

Finance Committee 2016-2017:
James L Rosenberger, Chair
Marvin Hall, Assistant Treasurer
Doug Yoder, Stewardship Representative.

Finance Committee 2017-2018
James L Rosenberger, Chair

Marvin Hall, Assistant Treasurer

Molly Kunkel, Member