

SAINT JOHN'S UNITED METHODIST CHURCH

Report to Supporters from the Finance Committee—May 2009

What a joyous Easter season we had this year! And now we are quickly approaching the lazy days of summer. Before we all escape to summer destinations, the Finance Committee thought it would be a good opportunity to give you an update on the financial status of Saint John's.

5900 Wynona

Have you been able to take a tour of the newly acquired Saint John's property across the street? We are so blessed by the chain of events that led to the purchase of that house. Between the favorable interest rates, our ability to refinance our existing building loan, the availability of the property, the decline in housing prices, and the remodeled condition of the house, it is truly meant to be. Most of all, the church is blessed to have so many members who contributed their time and effort to this project.

Our existing mortgage has been refinanced with the following terms:

- 20 year term
- loan amount of \$2,200,000 to include \$372,000 for Wynona property
- interest rate of 6.52% (previously at 8%)
- monthly payment of 16,552 (previously at \$16,475)

There is a task force that has been formed to consider the space needs of the church and match them with the available building spaces. This task force is led by Susan Coffman and will make recommendations about how to most efficiently use the new Wynona property.

Operating Budget Report

The operating budget was developed and adopted by the Finance Committee in December 2008 - January 2009. At the end of 2008 the congregation was striving to finish the year financially healthy through a campaign which raised over \$415,000. Considering the dismal economic news at that time, it was a very successful effort. The Finance Committee then adopted a 2009 budget that did not include any significant increases over 2008. The congregation held its annual pledge drive in February - March 2009 with the goal of receiving \$975,000 in pledges for 2009. The congregation surpassed this goal and exceeded \$1,000,000 in its pledges, significantly more than was pledged for 2008. This wonderful news means that Saint John's is clearly on the right track to maintaining its financial health.

Through March 31, 2009, the income and expenses of Saint John's indicate that we are doing well with our budget. If you exclude the costs of the refinance which was not included in the budget, we are slightly below our income projections, but even more below our expense projections for this period.

Income through March: \$264,336
Projected income in budget: \$278,500
Expenses through March: \$352,261 (including \$46,600 in refinance costs)
Projected expenses in budget: \$327,198

As you know, church income streams are not constant throughout the year with a significant portion of contributions coming in November and December. The expenses, however, are fairly steady except for unexpected events such as our recent refinancing. Understanding this fact, the Finance Committee makes income and expense projections based upon historical data to track our progress. In the past, the church has had to “borrow” from its other accounts or draw down on a line of credit at the Texas Methodist Foundation in the early part of the year, with those debts to be paid back later in the year. This year however, we are fortunate that the Stewardship Committee a year ago was able to raise funds for a Mission Well which the church can use to delay its need to borrow. Due to the use of the more than \$25,000 in the Mission Well, the Finance Committee is happy to report that the line of credit has not yet been needed, and may not be needed until late spring or summer.

Message

Saint John’s has a bright future to look forward to. Our attention will continue on our monthly income and expenses to make sure that we continue on track. We will also focus on cutting expenses anywhere we are able. If the congregation pulls together to meet its pledged giving, and there are no major unexpected expenses, the Finance Committee expects that 2009 will be a great financial year for Saint John’s. This is wonderful because it allows our congregation to focus its efforts on achieving its mission:

*We are creating a community where God’s love changes people and
God’s people change the world.*

The Saint John’s Finance Committee

Kerri Rowland, Chair; Paul Youngdale, Treasurer; Peyton Middleton, Assistant Treasurer; Adam Haynes, Council Chair; Sheri Jones, Lay Leader; Christine Dixon, Staff-Parish Relations Chair; Marvin Morgenroth, Scott Jones, Barry Coffman, Mamie Fullmer, Blain Keith, Ford Keating, Heather Mitchell, Jessica Ewing

If you have any questions about financial matters at Saint John’s, please contact Finance Committee Chair Kerri Rowland (kerrirrowland@gmail.com, 467-2589) or Church Administrator Brenda Smith (brenda@stjohnsaustin.org, 452-5737).